

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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**FORM 10-Q**

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(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended February 28, 2017

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-36495

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**IHS MARKIT LTD.**

(Exact name of registrant as specified in its charter)

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**Bermuda**

(State or Other Jurisdiction of Incorporation or Organization)

**001-36495**

(Commission File Number)

**98-1166311**

(IRS Employer Identification Number)

**4th Floor, Ropemaker Place  
25 Ropemaker Street  
London, England  
EC2Y 9LY**

(Address of Principal Executive Offices)

**+44 20 7260 2000**

(Registrant's telephone number, including area code)

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.  Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).  Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act (check one):

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/> (Do not check if a smaller reporting company)	Smaller reporting company	<input type="checkbox"/>

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).  Yes  No

As of February 28, 2017, there were 406,874,871 Common Shares outstanding (excluding 25,219,470 outstanding common shares held by the Markit Group Holdings Limited Employee Benefit Trust).

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**Cautionary Note Regarding Forward-Looking Statements**

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the federal securities laws, including Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (Securities Exchange Act). In this context, forward-looking statements often address expected future business and financial performance and financial condition, and often contain words such as “anticipate,” “intend,” “plan,” “goal,” “seek,” “aim,” “strive,” “believe,” “see,” “project,” “predict,” “estimate,” “expect,” “continue,” “strategy,” “future,” “likely,” “may,” “might,” “should,” “will,” “would,” “target,” similar expressions, and variations or negatives of these words. Examples of forward-looking statements include, among others, statements we make regarding: guidance and predictions relating to expected operating results, such as revenue growth and earnings; strategic actions, including acquisitions and dispositions, anticipated benefits from strategic actions including the merger between IHS Inc. and Markit Ltd., and our success in integrating acquired businesses; anticipated levels of capital expenditures in future periods; our belief that we have sufficient liquidity to fund our ongoing business operations; expectations of the effect on our financial condition of claims, litigation, environmental costs, contingent liabilities and governmental and regulatory investigations and proceedings; and our strategy for customer retention, growth, product development, market position, financial results, and reserves. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based only on our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of our control. Important factors that could cause our actual results and financial condition to differ materially from those indicated in the forward-looking statements include, among others, the following: economic and financial conditions, including volatility in interest and exchange rates; our ability to develop new products and services; our ability to manage system failures or capacity constraints; our ability to successfully manage risks associated with changes in demand for our products and services; our ability to manage our relationships with third party service providers; legislative, regulatory and economic developments, including any new or proposed U.S. Treasury rule changes; the extent to which we are successful in gaining new long-term relationships with customers or retaining existing ones and the level of service failures that could lead customers to use competitors’ services; the anticipated tax treatment, unforeseen liabilities, future capital expenditures, revenues, expenses, earnings, synergies, economic performance, indebtedness, financial condition, losses, future prospects, business and management strategies for the management, expansion and growth of our operations; our ability to integrate the business successfully and to achieve anticipated synergies; our ability to retain and hire key personnel; our ability to satisfy our debt obligations and our other ongoing business obligations; and the occurrence of any catastrophic events, including acts of terrorism or outbreak of war or hostilities. These risks, as well as other risks, are more fully discussed under the caption “Risk Factors” in our Annual Report on Form 10-K, along with our other filings with the U.S. Securities and Exchange Commission (SEC). While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. Consequences of material differences in results as compared with those anticipated in the

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forward-looking statements could include, among other things, business disruption, operational problems, financial loss, legal liability to third parties and similar risks, any of which could have a material adverse effect on our consolidated financial condition, results of operations, credit rating or liquidity. Therefore, you should not rely on any of these forward-looking statements. Any forward-looking statement made by us in this Quarterly Report on Form 10-Q is based only on information currently available to us and speaks only as of the date of this report. We do not assume any obligation to publicly provide revisions or updates to any forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

**Website and Social Media Disclosure**

We use our website (www.ihsmarket.com) and corporate Twitter account (@IHSMakit) as routine channels of distribution of company information, including news releases, analyst presentations, and supplemental financial information, as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our website and our corporate Twitter account in addition to following press releases, SEC filings and public conference calls and webcasts. Additionally, we provide notifications of news or announcements as part of our investor relations website. Investors and others can receive notifications of new information posted on our investor relations website in real time by signing up for email alerts.

None of the information provided on our website, in our press releases, public conference calls and webcasts, or through social media channels is incorporated into, or deemed to be a part of, this quarterly report on Form 10-Q or in any other report or document we file with the SEC, and any references to our website or our social media channels are intended to be inactive textual references only.

**IHS Markit Foreign Private Issuer Status and Financial Presentation**

IHS Markit currently qualifies as a foreign private issuer (FPI) under the rules of the SEC. We will retain FPI status until at least the end of our fiscal year 2017. However, even while we continue to qualify as an FPI, we will report our financial results in accordance with U.S. GAAP and have elected to file our annual and interim reports on Forms 10-K, 10-Q, and 8-K.

**PART I. FINANCIAL INFORMATION**  
**Item 1. Financial Statements****IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**(In millions, except par value)**

	As of February 28, 2017 (Unaudited)	As of November 30, 2016 (Audited)
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 154.8	\$ 138.9
Accounts receivable, net	668.8	635.6
Income tax receivable	58.6	26.0
Deferred subscription costs	64.8	55.6
Other current assets	97.6	77.4
<b>Total current assets</b>	<b>1,044.6</b>	<b>933.5</b>
<b>Non-current assets:</b>		
Property and equipment, net	445.0	416.2
Intangible assets, net	4,255.9	4,351.8
Goodwill	8,198.4	8,209.8
Deferred income taxes	14.8	14.8
Other	47.0	10.5
<b>Total non-current assets</b>	<b>12,961.1</b>	<b>13,003.1</b>
<b>Total assets</b>	<b>\$ 14,005.7</b>	<b>\$ 13,936.6</b>
<b>Liabilities and shareholders' equity</b>		
<b>Current liabilities:</b>		
Short-term debt	\$ 582.9	\$ 104.6
Accounts payable	52.5	58.9
Accrued compensation	95.9	174.0
Accrued royalties	37.4	35.7
Other accrued expenses	278.1	257.1
Income tax payable	13.7	11.9
Deferred revenue	906.9	770.2
<b>Total current liabilities</b>	<b>1,967.4</b>	<b>1,412.4</b>
Long-term debt	3,131.5	3,279.3
Accrued pension and postretirement liability	32.7	33.0
Deferred income taxes	1,013.3	995.1
Other liabilities	110.9	74.7
Commitments and contingencies		
Redeemable noncontrolling interest	58.2	57.7
<b>Shareholders' equity:</b>		
Common shares, \$0.01 par value, 3,000.0 authorized, 461.5 and 454.1 issued, and 406.9 and 415.0 outstanding at February 28, 2017 and November 30, 2016, respectively	4.6	4.5
Additional paid-in capital	7,356.7	7,210.9
Treasury shares, at cost: 54.6 and 39.1 at February 28, 2017 and November 30, 2016, respectively	(1,081.2)	(499.1)
Retained earnings	1,872.3	1,806.9
Accumulated other comprehensive loss	(460.7)	(438.8)
<b>Total shareholders' equity</b>	<b>7,691.7</b>	<b>8,084.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 14,005.7</b>	<b>\$ 13,936.6</b>

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(Unaudited)**  
**(In millions, except for per-share amounts)**

	Three months ended February 28/29,	
	2017	2016
<b>Revenue</b>	\$ 844.2	\$ 548.5
<b>Operating expenses:</b>		
Cost of revenue	327.0	210.8
Selling, general and administrative	268.0	186.5
Depreciation and amortization	120.8	60.5
Restructuring charges	(0.2)	5.7
Acquisition-related costs	31.6	3.8
Net periodic pension and postretirement expense	0.4	0.3
Other expense, net	0.9	1.2
Total operating expenses	748.5	468.8
<b>Operating income</b>	95.7	79.7
Interest income	0.5	0.3
Interest expense	(31.8)	(28.2)
Non-operating expense, net	(31.3)	(27.9)
Income from continuing operations before income taxes and equity in loss of equity method investee	64.4	51.8
Benefit (provision) for income taxes	3.6	(10.4)
Equity in loss of equity method investee	(2.0)	—
Income from continuing operations	66.0	41.4
Income from discontinued operations, net	—	3.8
<b>Net income</b>	66.0	45.2
Net loss attributable to noncontrolling interest	—	—
<b>Net income attributable to IHS Markit Ltd.</b>	\$ 66.0	\$ 45.2
Basic earnings per share:		
Income from continuing operations attributable to IHS Markit Ltd.	\$ 0.16	\$ 0.17
Income from discontinued operations, net	—	0.02
<b>Net income attributable to IHS Markit Ltd.</b>	\$ 0.16	\$ 0.19
Weighted average shares used in computing basic earnings per share	406.2	239.7
Diluted earnings per share:		
Income from continuing operations attributable to IHS Markit Ltd.	\$ 0.16	\$ 0.17
Income from discontinued operations, net	—	0.02
<b>Net income attributable to IHS Markit Ltd.</b>	\$ 0.16	\$ 0.19
Weighted average shares used in computing diluted earnings per share	422.2	242.0

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**(Unaudited)**  
**(In millions)**

	<b>Three months ended February 28/29,</b>	
	<b>2017</b>	<b>2016</b>
Net income	\$ 66.0	\$ 45.2
Other comprehensive loss, net of tax:		
Net hedging activities <sup>(1)</sup>	3.0	(4.0)
Foreign currency translation adjustment	(24.9)	(22.1)
Total other comprehensive loss	(21.9)	(26.1)
Comprehensive income	\$ 44.1	\$ 19.1
Comprehensive loss attributable to noncontrolling interest	—	—
Comprehensive income attributable to IHS Markit Ltd.	\$ 44.1	\$ 19.1

<sup>(1)</sup> Net of tax expense (benefit) of \$0.8 and \$(2.6) for the three months ended February 28, 2017 and February 29, 2016, respectively.

See accompanying notes.

**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**(Unaudited)**  
**(In millions)**

	Three months ended February 28/29,	
	2017	2016
<b>Operating activities:</b>		
Net income	\$ 66.0	\$ 45.2
Reconciliation of net income to net cash provided by operating activities:		
Depreciation and amortization	120.8	60.5
Stock-based compensation expense	75.2	30.6
Excess tax benefit from stock-based compensation	—	—
Net periodic pension and postretirement expense	0.4	0.3
Undistributed earnings of affiliates, net	1.4	—
Pension and postretirement contributions	(0.6)	(0.9)
Deferred income taxes	8.8	12.9
Change in assets and liabilities:		
Accounts receivable, net	(16.7)	(41.3)
Other current assets	(40.9)	(26.3)
Accounts payable	(12.6)	(16.5)
Accrued expenses	(68.9)	(14.4)
Income tax	(21.9)	(6.3)
Deferred revenue	137.4	101.7
Other liabilities	2.3	6.3
<b>Net cash provided by operating activities</b>	<b>250.7</b>	<b>151.8</b>
<b>Investing activities:</b>		
Capital expenditures on property and equipment	(71.7)	(24.5)
Acquisitions of businesses, net of cash acquired	—	(1,113.4)
Change in other assets	2.6	2.1
Settlements of forward contracts	2.7	5.5
<b>Net cash used in investing activities</b>	<b>(66.4)</b>	<b>(1,130.3)</b>
<b>Financing activities:</b>		
Proceeds from borrowings	1,395.0	1,061.0
Repayment of borrowings	(1,057.5)	(194.0)
Payment of debt issuance costs	(9.5)	(15.4)
Excess tax benefit from stock-based compensation	—	—
Proceeds from the exercise of employee stock options	97.3	—
Repurchases of common shares	(591.9)	(104.3)
<b>Net cash provided by (used in) financing activities</b>	<b>(166.6)</b>	<b>747.3</b>
Foreign exchange impact on cash balance	(1.8)	(0.7)
Net increase (decrease) in cash and cash equivalents	15.9	(231.9)
Cash and cash equivalents at the beginning of the period	138.9	293.1
Cash and cash equivalents at the end of the period	154.8	61.2
Less: Cash and cash equivalents associated with discontinued operations at the end of the period	—	(0.7)
Cash and cash equivalents from continuing operations at the end of the period	<b>\$ 154.8</b>	<b>\$ 60.5</b>

See accompanying notes.



**IHS MARKIT LTD.**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**(Unaudited)**  
**(In millions)**

	Common Shares		Additional Paid-In Capital	Treasury Shares	Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares Outstanding	Amount					
<b>Balance at November 30, 2016 (Audited)</b>	415.0	\$ 4.5	\$ 7,210.9	\$ (499.1)	\$ 1,806.9	\$ (438.8)	\$ 8,084.4
Repurchases of common shares	(14.0)	—	—	(524.9)	—	—	(524.9)
Share-based award activity	1.8	—	47.8	(57.2)	—	—	(9.4)
Option exercises	4.1	0.1	98.0	—	—	—	98.1
Net income attributable to IHS Markit Ltd.	—	—	—	—	66.0	—	66.0
Noncontrolling interest activity	—	—	—	—	(0.6)	—	(0.6)
Other comprehensive income (loss)	—	—	—	—	—	(21.9)	(21.9)
<b>Balance at February 28, 2017</b>	<b>406.9</b>	<b>\$ 4.6</b>	<b>\$ 7,356.7</b>	<b>\$ (1,081.2)</b>	<b>\$ 1,872.3</b>	<b>\$ (460.7)</b>	<b>\$ 7,691.7</b>

See accompanying notes.

**IHS MARKIT LTD.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**

**1. Basis of Presentation and Significant Accounting Policies**

On July 12, 2016, IHS Inc. (IHS), a Delaware corporation, Markit Ltd. (Markit), a Bermuda exempted company, and Marvel Merger Sub, Inc. (Merger Sub), a Delaware corporation and an indirect and wholly owned subsidiary of Markit Ltd., completed a merger (Merger) pursuant to which Merger Sub merged with and into IHS, with IHS surviving the Merger as an indirect and wholly owned subsidiary of Markit. Upon completion of the Merger, Markit became the combined group holding company and was renamed IHS Markit Ltd. (IHS Markit, we, us, or our).

The Merger has been accounted for as a business combination in accordance with Accounting Standards Codification (ASC) Topic 805. This standard requires that one of the two companies in the Merger be designated as the acquirer for accounting purposes based on the evidence available. We have treated IHS as the acquiring entity for accounting purposes, and accordingly, the Markit assets acquired and liabilities assumed have been adjusted based on fair value at the consummation of the Merger. Any excess of the purchase price over the fair value of identified assets acquired and liabilities assumed has been recognized as goodwill. In identifying IHS as the acquiring entity for accounting purposes, IHS Markit took into account the voting rights of all equity instruments, the intended corporate governance structure of the combined company, and the size of each of the companies. In assessing the size of each of the companies, IHS Markit evaluated various metrics, including, but not limited to: assets, revenue, operating income, EBITDA, Adjusted EBITDA, market capitalization, and enterprise value. No single factor was the sole determinant in the overall conclusion that IHS is the acquirer for accounting purposes; rather, all factors were considered in arriving at our conclusion.

The accompanying unaudited condensed consolidated financial statements of IHS Markit have been prepared on substantially the same basis as our annual consolidated financial statements and should be read in conjunction with our Annual Report on Form 10-K for the year ended November 30, 2016. In our opinion, these condensed consolidated financial statements reflect all adjustments necessary for a fair presentation of the financial position, results of operations, and cash flows for the periods presented, and such adjustments are of a normal, recurring nature.

Our business has seasonal aspects. Our fourth quarter typically generates our highest quarterly levels of revenue and profit. Conversely, our first quarter generally has our lowest quarterly levels of revenue and profit. We also experience event-driven seasonality in our business; for instance, CERAWEEK, an annual energy conference, was held in the first quarter of 2016 and was held early in the second quarter of 2017. Another example is the biennial release of the Boiler Pressure Vessel Code (BPVC) engineering standard, which generates revenue for us predominantly in the third quarter of every other year. The most recent BPVC release was in the third quarter of 2015 and the next release will be in the third quarter of 2017.

**Recent Accounting Pronouncements**

In May 2014, the FASB issued ASU 2014-09, which establishes a comprehensive new revenue recognition model designed to depict the transfer of goods or services to a customer in an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. The ASU allows for the use of either the full or modified retrospective transition method. In March, April, and May 2016, the FASB issued ASU 2016-08, ASU 2016-10, and ASU 2016-12, respectively, which provide further revenue recognition guidance related to principal versus agent considerations, performance obligations and licensing, and narrow-scope improvements and practical expedients. All of these standards will be effective for us in the first quarter of our fiscal year 2019, although early adoption is permitted. We are currently evaluating the impact of these new standards on our consolidated financial statements, as well as which transition method we intend to use.

In August 2014, the FASB issued ASU 2014-15, which requires that management evaluate the entity's ability to continue as a going concern within one year after the date that the financial statements are issued. Disclosure is required if there is substantial doubt about the entity's ability to continue as a going concern. The standard will be effective for us in the fourth quarter of our fiscal year 2017, although early adoption is permitted. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

In April 2015, the FASB issued ASU 2015-05, which provides guidance about a customer's accounting for fees paid in cloud computing arrangements. If a cloud computing arrangement includes a software license, then the customer should account for the software license element consistent with the acquisition of other software licenses. If the arrangement does not contain a software license, the customer should account for the arrangement as a service contract. The standard was effective

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for us in the first quarter of our fiscal year 2017, which we adopted using the prospective transition method, and there was no impact on our consolidated financial statements.

In September 2015, the FASB issued ASU 2015-16, which requires that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined. The standard was effective for us in the first quarter of our fiscal year 2017, with no impact on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, which requires that lease assets and lease liabilities be recognized on the balance sheet, and that key information about leasing arrangements be disclosed. The ASU requires the use of a modified retrospective transition method. The standard will be effective for us in the first quarter of our fiscal year 2020, although early adoption is permitted. We are currently evaluating the impact of this new standard on our consolidated financial statements.

In March 2016, the FASB issued ASU 2016-09, which changes several aspects of the accounting for stock-based compensation, including income tax consequences, classification of awards as either equity or liabilities, and classification on the statement of cash flows. We early adopted this standard in the first quarter of our fiscal year 2017. As a result of the adoption, we now recognize excess tax benefits or deficiencies associated with stock-based compensation award activity in income tax expense in the consolidated statements of operations. For the first quarter of 2017, the excess tax benefit associated with stock-based compensation award activity reduced income tax expense by approximately \$14 million. In addition, we now report excess tax benefits associated with award activity as cash flows from operating activities along with all other income tax cash flows, and we have elected to apply this classification change on a prospective basis. The standard also permits us to make a policy election about how we account for forfeitures, and we have elected to continue to estimate forfeitures.

In August 2016, the FASB issued ASU 2016-15, which clarifies how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The ASU should be applied using a retrospective transition method to each period presented. The standard will be effective for us in the first quarter of our fiscal year 2019, although early adoption is permitted. We are currently evaluating the impact of this new standard on our consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01, which provides additional guidance about what qualifies as a business combination versus an asset acquisition. The standard will be effective for us in the first quarter of our fiscal year 2019. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, which removes Step 2 from the goodwill impairment test. The standard will be effective for us in the first quarter of our fiscal year 2021. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

In March 2017, the FASB issued ASU 2017-07, which requires that the service cost component of pension expense be included in the same line item as other compensation costs arising from services rendered by employees, with the other components of pension expense being classified outside of a subtotal of income from operations. The standard will be effective for us in fiscal year 2019. We do not expect that the adoption of this ASU will have a significant impact on our consolidated financial statements.

## 2. Business Combinations

As described in Note 1 above, we completed the Merger on July 12, 2016. The purchase price allocation for this business combination is still preliminary and may change upon completion of the determination of fair value. The following table summarizes the current purchase price allocation, net of acquired cash, for the Merger (in millions):

Assets:	
Current assets	\$ 305.6
Property and equipment	61.2
Intangible assets	3,288.8
Goodwill	4,281.0
Other long-term assets	10.5
Total assets	7,947.1
Liabilities:	
Current liabilities	250.8
Deferred revenue	230.8
Deferred taxes	693.7
Long-term debt	546.5
Other long-term liabilities	17.9
Noncontrolling interest	57.1
Total liabilities and noncontrolling interest	1,796.8
Purchase price, net of cash acquired	\$ 6,150.3

## 3. Intangible Assets

The following table presents details of our intangible assets, other than goodwill, as of February 28, 2017 and November 30, 2016 (in millions):

	As of February 28, 2017			As of November 30, 2016		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Intangible assets subject to amortization:						
Information databases	\$ 767.0	\$ (303.4)	\$ 463.6	\$ 768.0	\$ (283.9)	\$ 484.1
Customer relationships	2,903.5	(253.2)	2,650.3	2,910.6	(217.4)	2,693.2
Developed technology	752.5	(33.1)	719.4	755.4	(20.1)	735.3
Developed computer software	85.0	(47.3)	37.7	84.9	(44.9)	40.0
Trademarks	453.1	(72.5)	380.6	400.9	(59.8)	341.1
Other	12.4	(8.1)	4.3	12.4	(7.5)	4.9
Total	\$ 4,973.5	\$ (717.6)	\$ 4,255.9	\$ 4,932.2	\$ (633.6)	\$ 4,298.6
Intangible assets not subject to amortization:						
Trademarks	—	—	—	53.2	—	53.2
Total intangible assets	\$ 4,973.5	\$ (717.6)	\$ 4,255.9	\$ 4,985.4	\$ (633.6)	\$ 4,351.8

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Intangible assets amortization expense was \$84.7 million for the three months ended February 28, 2017, compared to \$37.0 million for the three months ended February 29, 2016. The following table presents the estimated future amortization expense related to intangible assets held as of February 28, 2017 (in millions):

<u>Year</u>	<u>Amount</u>
Remainder of 2017	\$ 243.8
2018	\$ 314.8
2019	\$ 301.1
2020	\$ 291.7
2021	\$ 285.7
Thereafter	\$ 2,818.8

During the first quarter of 2017, we determined that all of our previously non-amortizing trademarks should be reclassified to amortizing trademarks as we increase our focus on our IHS Markit brand. We performed a discounted cash flow impairment test at the time of the classification change, and no impairment was indicated as a result of the test.

Goodwill, gross intangible assets, and net intangible assets were all subject to foreign currency translation effects. The change in net intangible assets from November 30, 2016 to February 28, 2017 was primarily due to current year amortization.

#### 4. Debt

The following table summarizes total indebtedness as of February 28, 2017 and November 30, 2016 (in millions):

	<u>February 28, 2017</u>	<u>November 30, 2016</u>
2016 revolving facility	\$ 657.0	\$ 1,282.0
2016 term loan:		
Tranche A-1	639.6	647.8
Tranche A-2	536.3	543.1
2017 term loan	500.0	—
5.00% senior notes due 2022	750.0	750.0
4.75% senior notes due 2025	500.0	—
Institutional senior notes:		
Series A	95.9	95.9
Series B	53.8	53.8
Share repurchase liability	21.7	43.4
Debt issuance costs	(45.6)	(38.3)
Capital leases	5.7	6.2
Total debt	\$ 3,714.4	\$ 3,383.9
Current portion	(582.9)	(104.6)
Total long-term debt	\$ 3,131.5	\$ 3,279.3

*2016 revolving facility.* In July 2016, we entered into a \$1.85 billion senior unsecured revolving credit agreement (2016 revolving facility). Borrowings under the 2016 revolving facility mature in July 2021. The interest rates for borrowings under the 2016 revolving facility are the applicable LIBOR plus a spread of 1.00 percent to 1.75 percent, depending upon our Leverage Ratio, which is defined as the ratio of Consolidated Funded Indebtedness to rolling four-quarter Consolidated Earnings Before Interest Expense, Taxes, Depreciation and Amortization (EBITDA), as such terms are defined in the revolving facility agreement. A commitment fee on any unused balance is payable periodically and ranges from 0.13 percent to 0.30 percent based upon our Leverage Ratio. We had approximately \$1.3 million of outstanding letters of credit under the 2016 revolving facility as of February 28, 2017, which reduces the available borrowing under the facility by an equivalent amount.

*2016 term loan.* In July 2016, we entered into a \$1.206 billion senior unsecured amortizing term loan agreement (2016 term loan). The 2016 term loan has a final maturity date of July 2021. The interest rates for borrowings under the 2016 term loan are the same as those under the 2016 revolving facility.

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Subject to certain conditions, the 2016 revolving facility and the 2016 term loan may be expanded by up to an aggregate of \$500 million in additional commitments or term loans. The 2016 revolving facility and the 2016 term loan have certain financial and other covenants, including a maximum Leverage Ratio and a minimum Interest Coverage Ratio, as such terms are defined in the agreements.

*2017 term loan.* On January 26, 2017, we entered into a 364-day \$500 million senior unsecured term loan (2017 term loan). The 2017 term loan is structured as a non-amortizing loan with repayment of principal due at maturity. The interest rates for borrowings under the 2017 term loan are the same as those under the 2016 revolving facility. The 2017 term loan has certain financial covenants that are the same as the 2016 revolving facility and the 2016 term loan, including a maximum Leverage Ratio and minimum Interest Coverage ratio, as such terms are defined in the agreement.

*5.00% senior notes due 2022 (5% Notes).* In October 2014, IHS Inc. issued \$750 million aggregate principal amount of senior unsecured notes due 2022 in an offering not subject to the registration requirements of the Securities Act of 1933, as amended (the Securities Act). In August 2015, we completed a registered exchange offer for the 5% Notes. In July 2016, in connection with the Merger, we completed an exchange offer for \$742.8 million of the outstanding 5% Notes for an equal principal amount of new 5% senior unsecured notes issued by IHS Markit with the same maturity. Approximately \$7.2 million of the 5% Notes did not participate in the exchange offer. The new 5% notes are not, and will not be, registered under the Securities Act or the securities laws of any other jurisdiction. The new 5% notes have been admitted for trading to the official list of the Channel Islands Securities Exchange Authority.

The 5% Notes bear interest at a fixed rate of 5.00 percent and mature on November 1, 2022. Interest on the 5% Notes is due semiannually on May 1 and November 1 of each year, commencing May 1, 2015. We may redeem the 5% Notes in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the Applicable Premium, as defined in the indenture governing the 5% Notes. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a Change of Control Triggering Event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. The fair value of the 5% Notes as of February 28, 2017 was approximately \$788.4 million.

*4.75% notes due 2025 (4.75% Notes).* In February 2017, we issued \$500.0 million aggregate principal amount of senior unsecured notes due 2025 in an offering not subject to the registration requirements of the Securities Act. The 4.75% notes have been admitted for trading to the official list of the Channel Islands Securities Exchange Authority. The 4.75% Notes bear interest at a fixed rate of 4.75 percent and mature on February 15, 2025. Interest on the 4.75% Notes is due semiannually on February 15 and August 15 of each year, commencing August 15, 2017. We may redeem the 4.75% Notes in whole or in part at a redemption price equal to 100 percent of the principal amount of the notes plus the Applicable Premium, as defined in the indenture governing the 4.75% Notes. Additionally, at the option of the holders of the notes, we may be required to purchase all or a portion of the notes upon occurrence of a Change of Control Triggering Event as defined in the indenture, at a price equal to 101 percent of the principal amount thereof, plus accrued and unpaid interest to the date of purchase. The indenture contains covenants that limit our ability to, among other things, incur or create liens and enter into sale and leaseback transactions. In addition, the indenture contains a covenant that limits our ability to consolidate or merge with another entity or to sell all or substantially all of our assets to another entity. The indenture contains customary default provisions. The fair value of the 4.75% Notes as of February 28, 2017 was approximately \$516.3 million.

*Institutional senior notes.* In November 2015, Markit issued two series of senior unsecured notes having an aggregate principal amount of \$500 million to certain institutional investors. In November 2016, we completed an offer to repurchase approximately \$350 million of these notes. The Series A notes bear interest at a fixed rate of 3.73 percent and mature on November 4, 2022. The Series B notes bear interest at a fixed rate of 4.05 percent and mature on November 4, 2025. Interest is paid semiannually from the anniversary of issuance. The institutional senior notes have certain financial and other covenants, including a maximum Consolidated Leverage Ratio and a minimum Interest Coverage Ratio, as such terms are defined in the Note Purchase and Guarantee Agreement. We believe that the fair value of the outstanding institutional senior notes as of February 28, 2017 was approximately \$145.1 million.

*Share repurchase liability.* In August 2012, Markit executed a share repurchase where the consideration is payable in quarterly installments through May 2017. The carrying value of the debt is calculated using cash flows discounted at a rate based on an average borrowing rate of 3.10 percent.

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As of February 28, 2017, we were in compliance with all of our debt covenants. We have classified short-term debt based on scheduled term loan amortization payments and expected cash availability over the next 12 months. As of February 28, 2017, we had approximately \$657.0 million of outstanding borrowings under the 2016 revolving facility at a current annual interest rate of 2.15 percent and approximately \$1.676 billion of outstanding borrowings under the 2016 and 2017 term loans at a current weighted average annual interest rate of 2.68 percent, including the effect of the interest rate swaps described in Note 5.

The carrying value of our variable rate debt instruments approximate their fair value because of the variable interest rates associated with those instruments. The fair values of the 5% Notes, the 4.75% Notes, and the institutional senior notes were measured using observable inputs in markets that are not active; consequently, we have classified those notes within Level 2 of the fair value hierarchy.

### **5. Derivatives**

Our business is exposed to various market risks, including interest rate and foreign currency risks. We utilize derivative instruments to help us manage these risks. We do not hold or issue derivatives for speculative purposes.

#### **Interest Rate Swaps**

To mitigate interest rate exposure on our outstanding revolving facility debt, we utilize interest rate derivative contracts that effectively swap \$400 million of floating rate debt at a 2.86 percent weighted-average fixed interest rate, plus the applicable spread on our floating rate debt. We entered into these swap contracts in November 2013 and January 2014, and the contracts expire between May and November 2020.

Because the terms of these swaps and the variable rate debt (as amended or extended over time) coincide, we do not expect any ineffectiveness. We have designated and accounted for these instruments as cash flow hedges, with changes in fair value being deferred in accumulated other comprehensive income/loss (AOCI) in our consolidated balance sheets.

#### **Foreign Currency Forwards**

To mitigate foreign currency exposure, we utilize the following derivative instruments:

- Foreign currency forward contracts that hedge the foreign currency exposure on Euro-denominated receipts and Singapore Dollar-denominated and Indian Rupee-denominated expenses. Because the critical terms of the forward contracts and the forecasted cash flows coincide, we do not expect any ineffectiveness associated with these contracts. We designated and accounted for these derivatives as cash flow hedges, with changes in fair value being deferred in AOCI in our consolidated balance sheets. The notional amount of outstanding foreign currency forwards under these agreements as of February 28, 2017 and November 30, 2016 was approximately \$20.8 million and \$40.8 million, respectively.
- Short-term foreign currency forward contracts that manage market risks associated with fluctuations in balances that are denominated in currencies other than the local functional currency. We account for these forward contracts at fair value and recognize the associated realized and unrealized gains and losses in other expense, net, since we have not designated these contracts as hedges for accounting purposes. The following table summarizes the notional amounts of these outstanding foreign currency forward contracts as of February 28, 2017 and November 30, 2016 (in millions):

	February 28, 2017		November 30, 2016	
<b>Notional amount of currency pair:</b>				
Contracts to buy USD with CAD	\$	41.1	\$	37.2
Contracts to buy CAD with USD	C\$	9.2	C\$	6.7
Contracts to buy USD with EUR	\$	14.9	\$	8.8
Contracts to buy EUR with USD	€	13.0	€	13.0
Contracts to buy CHF with USD	CHF	14.0	CHF	9.0
Contracts to buy EUR with GBP	€	8.0	€	8.0
Contracts to buy GBP with USD	£	214.6	£	195.7
Contracts to buy NOK with GBP	NOK	50.0	NOK	57.0

**Fair Value of Derivatives**

Since our derivative instruments are not listed on an exchange, we have evaluated fair value by reference to similar transactions in active markets; consequently, we have classified all of our derivative instruments within Level 2 of the fair value measurement hierarchy. The following table shows the classification, location, and fair value of our derivative instruments as of February 28, 2017 and November 30, 2016 (in millions):

	Fair Value of Derivative Instruments		Location on consolidated balance sheets
	February 28, 2017	November 30, 2016	
<b>Assets:</b>			
<b>Derivatives designated as accounting hedges:</b>			
Foreign currency forwards	\$ 1.2	\$ 1.4	Other current assets
<b>Derivatives not designated as accounting hedges:</b>			
Foreign currency forwards	0.6	3.8	Other current assets
Total	<u>\$ 1.8</u>	<u>\$ 5.2</u>	
<b>Liabilities:</b>			
<b>Derivatives designated as accounting hedges:</b>			
Interest rate swaps	\$ 14.3	\$ 18.0	Other liabilities
Foreign currency forwards	—	0.1	Other accrued expenses
<b>Derivatives not designated as accounting hedges:</b>			
Foreign currency forwards	3.2	0.6	Other accrued expenses
Total	<u>\$ 17.5</u>	<u>\$ 18.7</u>	

The net (gain) loss on foreign currency forwards that are not designated as hedging instruments for the three months ended February 28, 2017 and the three months ended February 29, 2016, respectively, was as follows (in millions):

	Amount of (gain) loss recognized in the consolidated statements of operations		Location on consolidated statements of operations
	Three months ended February 28/29,		
	2017	2016	
Foreign currency forwards	\$ 3.6	\$ (5.0)	Other expense, net



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The following table provides information about the cumulative amount of unrecognized hedge losses recorded in AOCI, net of tax, as of February 28, 2017 and February 29, 2016, respectively, as well as the activity on our cash flow hedging instruments for the three months ended February 28, 2017 and the three months ended February 29, 2016, respectively (in millions):

	Three months ended February 28/29,	
	2017	2016
<b>Beginning balance</b>	\$ (10.5)	\$ (14.6)
<b>Amount of gain (loss) recognized in AOCI on derivative:</b>		
Interest rate swaps	1.2	(5.4)
Foreign currency forwards	0.4	—
<b>Amount of loss (gain) reclassified from AOCI into income:</b>		
Interest rate swaps <sup>(1)</sup>	1.7	1.5
Foreign currency forwards <sup>(1)</sup>	(0.3)	(0.1)
<b>Ending balance</b>	<u>\$ (7.5)</u>	<u>\$ (18.6)</u>

(1) Pre-tax amounts reclassified from AOCI into income related to interest rate swaps are recorded in interest expense, and pre-tax amounts reclassified from AOCI into income related to foreign currency forwards are recorded in revenue.

The unrecognized gains relating to the foreign currency forwards are expected to be reclassified into revenue within the next 12 months, and approximately \$5.9 million of the \$14.3 million unrecognized pre-tax losses relating to the interest rate swaps are expected to be reclassified into interest expense within the next 12 months.

## 6. Restructuring Charges

During the three months ended February 28, 2017, we made minor revisions to our prior estimates. The following table provides a reconciliation of the restructuring liability, recorded in other accrued expenses, as of February 28, 2017 (in millions):

	Employee Severance and Other Termination Benefits	Contract Termination Costs	Other	Total
<b>Balance at November 30, 2016</b>	\$ 1.0	\$ 6.0	\$ 0.1	\$ 7.1
Add: Restructuring costs incurred	—	—	—	—
Revision to prior estimates	0.1	(0.3)	—	(0.2)
Less: Amount paid	(0.7)	(1.1)	(0.1)	(1.9)
<b>Balance at February 28, 2017</b>	<u>\$ 0.4</u>	<u>\$ 4.6</u>	<u>\$ —</u>	<u>\$ 5.0</u>

As of February 28, 2017, approximately \$2.4 million of the remaining restructuring liability was in the Resources segment, approximately \$1.9 million was in the Transportation segment, and approximately \$0.7 million was in the CMS segment. Approximately \$3.5 million of the balance is expected to be paid within the next 12 months; the remaining amount relates to lease abandonments that will be paid over the remaining lease periods through 2021.

## 7. Acquisition-related Costs

During the three months ended February 28, 2017, we eliminated 104 positions and incurred additional direct and incremental costs associated with acquisition-related activities, including employee severance charges and retention costs, contract termination costs for facility consolidations, and legal and professional fees primarily associated with the Merger. We recorded approximately \$31.6 million of acquisition-related costs for these activities. Most of the costs were recorded in the Financial Services segment and the shared services function.

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The following table provides a reconciliation of the acquisition-related costs accrued liability, recorded in other accrued expenses, as of February 28, 2017 (in millions):

	Employee Severance and Other Termination Benefits	Contract Termination Costs	Other	Total
<b>Balance at November 30, 2016</b>	\$ 24.7	\$ 8.6	\$ 16.7	\$ 50.0
Add: Costs incurred	16.0	5.2	10.4	31.6
Revision to prior estimates	—	—	—	—
Less: Amount paid	(22.4)	(4.7)	(12.2)	(39.3)
<b>Balance at February 28, 2017</b>	<u>\$ 18.3</u>	<u>\$ 9.1</u>	<u>\$ 14.9</u>	<u>\$ 42.3</u>

As of February 28, 2017, the \$42.3 million remaining liability was primarily in the Financial Services segment and in shared services. We expect that the remaining liability will be substantially paid within the next 12 months.

## 8. Stock-based Compensation

Stock-based compensation expense for the three months ended February 28, 2017 and February 29, 2016 was as follows (in millions):

	Three months ended February 28/29,	
	2017	2016
Cost of revenue	\$ 15.9	\$ 1.3
Selling, general and administrative	59.3	28.8
<b>Total stock-based compensation expense</b>	<u>\$ 75.2</u>	<u>\$ 30.1</u>

No stock-based compensation cost was capitalized during the three months ended February 28, 2017 and February 29, 2016.

As of February 28, 2017, there was \$338.6 million of unrecognized stock-based compensation cost, adjusted for estimated forfeitures, related to unvested stock-based awards that will be recognized over a weighted-average period of approximately 2.0 years. Total unrecognized stock-based compensation cost will be adjusted for future changes in estimated forfeitures.

*Restricted Stock Units (RSUs) and Restricted Stock Awards (RSAs).* The following table summarizes RSU/RSA activity during the three months ended February 28, 2017:

	Shares	Weighted- Average Grant Date Fair Value
	(in millions)	
Balance at November 30, 2016	11.7	\$ 31.67
Granted	4.0	\$ 39.31
Vested	(4.6)	\$ 32.41
Forfeited	(0.1)	\$ 30.12
<b>Balance at February 28, 2017</b>	<u>11.0</u>	<u>\$ 34.15</u>

The total fair value of RSUs and RSAs that vested during the three months ended February 28, 2017 was \$178.8 million.

*Stock Options.* The following table summarizes stock option award activity during the three months ended February 28, 2017, as well as stock options that are vested and expected to vest and stock options exercisable as of February 28, 2017:

	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
	(in millions)		(in years)	(in millions)
Balance at November 30, 2016	39.7	\$ 24.89		
Granted	—	\$ —		
Exercised	(4.1)	\$ 23.90		
Forfeited	(0.1)	\$ 25.81		
Balance at February 28, 2017	<u>35.5</u>	\$ 25.00	2.9	526.1
Vested and expected to vest at February 28, 2017	<u>34.8</u>	\$ 24.96	2.9	515.8
Exercisable at February 28, 2017	<u>14.5</u>	\$ 22.42	1.8	252.2

The aggregate intrinsic value amounts in the table above represent the difference between the closing price of our common shares on February 28, 2017 and the exercise price, multiplied by the number of in-the-money stock options as of that date. This represents the value that would have been received by stock option holders if they had all exercised their stock options on February 28, 2017. In future periods, this amount will change depending on fluctuations in our share price. The total intrinsic value of stock options exercised during the three months ended February 28, 2017 was approximately \$61.4 million.

## 9. Income Taxes

Our effective tax rate is estimated based upon the effective tax rate expected to be applicable for the full year.

Our effective tax rate for the three months ended February 28, 2017 was negative 5.6 percent, compared to 20.1 percent for the three months ended February 29, 2016. The decrease in the 2017 rate is primarily due to the early adoption of ASU 2016-09, as well as merger costs and the new capital structure. The effect of the adoption of ASU 2016-09 reduced income tax expense for the first quarter of 2017 by approximately \$14 million, or 22 percentage points.

## 10. Commitments and Contingencies

From time to time, we are involved in litigation in the ordinary course of our business, including claims or contingencies that may arise related to matters occurring prior to our acquisition of businesses, such as the matter described below. At the present time, primarily because the matters are generally in early stages, we can give no assurance as to the outcome of any pending litigation to which we are currently a party and we are unable to determine the ultimate resolution of or provide a reasonable estimate of the range of possible loss attributable to these matters or the effect they may have on us. However, we do not expect the outcome of such proceedings to have a material adverse effect on our results of operations or financial condition. We have and will continue to vigorously defend ourselves against these claims.

On April 23, 2013 (prior to our acquisition of R.L. Polk & Co.), our CARFAX subsidiary (CARFAX) was served with a complaint filed in the U.S. District Court for the Southern District of New York, purportedly on behalf of certain auto and light truck dealers. The complaint alleges, among other things, that, in violation of antitrust laws, CARFAX entered into exclusive arrangements regarding the sale of CARFAX vehicle history reports with certain auto manufacturers and owners of two websites providing classified listings of used autos and light trucks. The complaint seeks three times the actual damages that a jury finds the plaintiffs have sustained, injunctive relief, costs and attorneys' fees. On October 25, 2013, the plaintiffs served a second amended complaint with similar allegations purporting to name approximately 469 auto dealers as plaintiffs, and counsel for plaintiffs indicated that there may be additional claimants. On September 30, 2016, the District Court granted CARFAX's motion for summary judgment, dismissing all claims in the complaint. The plaintiffs filed their notice of appeal on October 28, 2016. On January 13, 2017, another group of auto and light truck dealers filed a complaint in the U.S. District Court for the Southern District of New York on substantially the same claims as described above. The complaint seeks three times the actual damages that a jury finds the plaintiffs have sustained, injunctive relief, costs, and attorneys' fees. The parties have requested that the court stay the case pending the outcome of the appeal of the first case described above.

In October 2015, the Division of Enforcement of the SEC opened a non-public civil investigation related to certain of our current and former securitized product indices, and requested that we provide certain documents and information. We responded to these inquiries in late 2015 and early 2016, and, to the extent the SEC has further inquiries, will continue to cooperate in this matter.

## 11. Common Shares and Earnings per Share

Weighted-average shares outstanding for the three months ended February 28, 2017 and February 29, 2016 were calculated as follows (in millions):

	Three months ended February 28/29,	
	2017	2016
Weighted-average shares outstanding:		
Shares used in basic EPS calculation	406.2	239.7
Effect of dilutive securities:		
RSUs/RSAs	5.7	2.3
Stock options	10.3	—
Shares used in diluted EPS calculation	422.2	242.0

### *Share Repurchase Programs*

In August 2016, our Board of Directors authorized a share repurchase program of up to \$1.5 billion of IHS Markit common shares from September 29, 2016 through November 30, 2017, to be funded using our existing cash, cash equivalents, marketable securities and future cash flows, or through the incurrence of short- or long-term indebtedness, at management's discretion. In January 2017, our Board of Directors increased the size of the program to up to \$2.25 billion of IHS Markit common shares and extended the program's termination date to May 31, 2018. This current repurchase program does not obligate us to repurchase any set dollar amount or number of shares and may be modified, suspended, or terminated at any time without prior notice. Under this program, we are authorized to repurchase our common shares on the open market from time to time, in privately negotiated transactions, or through accelerated share repurchase agreements, subject to availability of common shares, price, market conditions, alternative uses of capital, and applicable regulatory requirements, at management's discretion. As of February 28, 2017, we had \$1.472 billion remaining available to repurchase under the program.

In August 2016, our Board of Directors separately and additionally authorized, subject to applicable regulatory requirements, the repurchase of our common shares surrendered by employees in an amount equal to the exercise price, if applicable, and statutory tax liability associated with the vesting of their equity awards, for which we pay the statutory tax on behalf of the employee and forgo receipt of the exercise price of the award from the employee, if applicable.

In December 2016, we funded a \$250 million accelerated share repurchase (ASR) agreement with a scheduled termination date in the first quarter of 2017. Upon funding of the ASR, we received an initial delivery of 5.565 million shares. At the completion of the ASR on February 13, 2017, we received an additional 1.240 million shares.

In March 2017, we funded a \$200 million ASR agreement with a scheduled termination date in the second quarter of 2017. The total number of shares ultimately to be repurchased under the ASR will generally be based on the daily volume-weighted average price of the shares during the calculation period for the ASR, less an agreed discount. At final settlement of the ASR, we may be entitled to receive additional shares, or, under certain limited circumstances, be required to deliver shares to the relevant ASR counterparty.

### *Employee Benefit Trust (EBT) Shares*

We have approximately 25.2 million outstanding common shares that are held by the Markit Group Holdings Limited Employee Benefit Trust. The trust is under our control using the variable interest entity model criteria; consequently, we have consolidated and classified the trust shares as treasury shares within our consolidated balance sheets.

**12. Accumulated Other Comprehensive Income (Loss)**

The following table summarizes the changes in AOCI by component (net of tax) for the three months ended February 28, 2017 (in millions):

	<u>Foreign currency translation</u>	<u>Net pension and OPEB liability</u>	<u>Unrealized losses on hedging activities</u>	<u>Total</u>
Balance at November 30, 2016	\$ (413.9)	\$ (14.4)	\$ (10.5)	\$ (438.8)
Other comprehensive loss before reclassifications	(24.9)	—	1.6	(23.3)
Reclassifications from AOCI to income	—	—	1.4	1.4
Balance at February 28, 2017	<u>\$ (438.8)</u>	<u>\$ (14.4)</u>	<u>\$ (7.5)</u>	<u>\$ (460.7)</u>

**13. Segment Information**

We prepare our financial reports and analyze our business results within our four operating segments: Resources, Transportation, CMS, and Financial Services. We evaluate revenue performance at the segment level and also by transaction type. No single customer accounted for 10 percent or more of our total revenue for the three months ended February 28, 2017 and February 29, 2016. There are no material inter-segment revenues for any period presented. Our shared services function includes corporate transactions that are not allocated to the reportable segments, including net periodic pension and postretirement expense, as well as certain corporate functions such as investor relations, procurement, corporate development, and portions of finance, legal, and marketing.

We evaluate segment operating performance at the Adjusted EBITDA level for each of the four segments. We define Adjusted EBITDA as net income before net interest, provision for income taxes, depreciation and amortization, stock-based compensation cost, restructuring charges, acquisition-related costs, exceptional litigation, net other gains and losses, pension mark-to-market and settlement expense, the impact of joint ventures and noncontrolling interests, and discontinued operations. Information about the operations of our four segments is set forth below (in millions).

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	Three months ended February 28/29,	
	2017	2016
<b>Revenue</b>		
Resources	\$ 196.9	\$ 215.9
Transportation	224.9	199.7
CMS	126.5	132.9
Financial Services	295.9	—
<b>Total revenue</b>	<b>\$ 844.2</b>	<b>\$ 548.5</b>
<b>Adjusted EBITDA</b>		
Resources	\$ 80.0	\$ 87.4
Transportation	89.8	73.4
CMS	28.6	27.5
Financial Services	129.2	—
Shared services	(7.4)	(8.5)
<b>Total Adjusted EBITDA</b>	<b>\$ 320.2</b>	<b>\$ 179.8</b>
<b>Reconciliation to the consolidated statements of operations:</b>		
Interest income	0.5	0.3
Interest expense	(31.8)	(28.2)
Benefit (provision) for income taxes	3.6	(10.4)
Depreciation	(36.1)	(23.5)
Amortization related to acquired intangible assets	(84.7)	(37.0)
Stock-based compensation expense	(75.2)	(30.1)
Restructuring charges	0.2	(5.7)
Acquisition-related costs	(31.6)	(3.8)
Litigation charges related to class action suit	(0.1)	—
Share of joint venture results not attributable to Adjusted EBITDA	0.5	—
Adjusted EBITDA attributable to noncontrolling interest	0.5	—
Income (loss) from discontinued operations, net	—	3.8
<b>Net income (loss)</b>	<b>\$ 66.0</b>	<b>\$ 45.2</b>

Revenue by transaction type was as follows (in millions):

	Three months ended February 28/29,	
	2017	2016
Recurring fixed revenue	\$ 617.1	\$ 443.2
Recurring variable revenue	106.4	—
Non-recurring revenue	120.7	105.3
<b>Total revenue</b>	<b>\$ 844.2</b>	<b>\$ 548.5</b>

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) is intended to help the reader understand the financial condition and results of operations of IHS Markit Ltd. (IHS Markit, we, us, or our) as of and for the periods presented. The following discussion should be read in conjunction with our 2016 Annual Report on Form 10-K and the Condensed Consolidated Financial Statements and accompanying notes included in this Quarterly Report on Form 10-Q. References to 2017 are to our fiscal year 2017, which began on December 1, 2016 and ends on November 30, 2017.

The comparability of our operating results for the first quarter of fiscal year 2017 to the same period in fiscal year 2016 is significantly affected by the July 12, 2016 merger between IHS Inc. and Markit Ltd (Merger). As a result of the Merger, we created a new Financial Services segment, which consists entirely of Markit's business. Comparative analysis for the Financial Services segment for the first quarter of 2017 is compared to pre-Merger results for the first quarter ended March 31, 2016 for Markit Ltd., the predecessor company to IHS Markit Ltd.

### Executive Summary

#### *Business Overview*

We are a world leader in critical information, analytics, and expertise for the major industries and markets that drive economies worldwide. We deliver next-generation information, analytics, and solutions to customers in business, finance, and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. We have more than 50,000 key business and government customers, including 85 percent of the Fortune Global 500 and the world's leading financial institutions. Headquartered in London, we are committed to sustainable, profitable growth.

To best serve our customers, we are organized into the following four industry- and workflow-focused segments:

- *Resources*, which includes our Energy and Chemicals product offerings;
- *Transportation*, which includes our Automotive; Maritime & Trade; and Aerospace, Defense & Security product offerings;
- *Consolidated Markets & Solutions*, which includes our Product Design; Technology, Media & Telecom (TMT); and Economics & Country Risk (ECR) product offerings; and
- *Financial Services*, which includes our Information, Processing, and Solutions product offerings.

We believe that this sales and operating model helps our customers do business with us by providing a cohesive, consistent, and effective product, sales, and marketing approach by segment.

Our recurring fixed revenue and recurring variable revenue represented approximately 86 percent of our total revenue in the first quarter of 2017. Our recurring revenue is generally stable and predictable, and we have long-term relationships with many of our customers.

For 2017, we are primarily focusing our efforts on the following actions:

*Integrate organizational structure.* We are in the process of completing key merger integration activities primarily related to our shared services and corporate organization. We intend to integrate our people, platforms, processes, and products in a manner that allows us to take advantage of revenue and cost synergies that will strengthen the effectiveness and efficiency of our business operations.

*Innovate and develop new product offerings.* We expect to continue to create new commercial offerings from our existing data sets, converting core information to higher value analytics. Our investment priorities for new product offerings are primarily in energy, transportation, financial services, and product design, and we intend to continue to invest across the business to increase our customer value proposition.

*Simplify capital allocation.* We are focusing our capital allocation strategy primarily on shareholder return through share repurchases. Longer term, we expect to balance capital allocation between returning capital to shareholders through consistent share repurchases and mergers and acquisitions focused primarily on fewer deals in our core end markets that will allow us to continue to build out our strategic position.

### **Key Performance Indicators**

We believe that revenue growth, Adjusted EBITDA (both in dollars and margin), and free cash flow are key financial measures of our success. Adjusted EBITDA and free cash flow are financial measures that are not prepared in accordance with U.S. generally accepted accounting principles (non-GAAP).

*Revenue growth.* We review year-over-year revenue growth in our segments as a key measure of our success in addressing customer needs. We measure revenue growth in terms of organic, acquisitive, and foreign currency impacts. We define these components as follows:

- *Organic* – We define organic revenue growth as total revenue growth from continuing operations for all factors other than acquisitions and foreign currency movements. We drive this type of revenue growth through value realization (pricing), expanding wallet share of existing customers through up-selling and cross-selling efforts, securing new customer business, and through the sale of new or enhanced product offerings.
- *Acquisitive* – We define acquisitive revenue as the revenue generated from acquired products and services from the date of acquisition to the first anniversary date of that acquisition. This type of growth comes as a result of our strategy to purchase, integrate, and leverage the value of assets we acquire. We also include the impact of divestitures in this growth metric. Due to the size of the Merger, we have not included Markit's 2017 reported results versus 2016 results in the acquisitive category, but have broken out their results in the organic, acquisitive (for acquisitions within the past 12 months completed by Markit), and foreign currency growth metrics.
- *Foreign currency* – We define the foreign currency impact on revenue as the difference between current revenue at current exchange rates and current revenue at the corresponding prior period exchange rates. Due to the significance of revenue transacted in foreign currencies, we believe it is important to measure the impact of foreign currency movements on revenue.

In addition to measuring and reporting revenue by segment, we also measure and report revenue by transaction type. Understanding revenue by transaction type helps us identify and address broad changes in product mix. We summarize our transaction type revenue into the following three categories:

- *Recurring fixed revenue* represents revenue generated from contracts specifying a fixed fee for services delivered over the life of the contract. The fixed fee is typically paid annually, semiannually, or quarterly in advance. These contracts typically consist of subscriptions to our various information offerings and software maintenance, and the revenue is usually recognized over the life of the contract. The initial term of these contracts is typically annual and non-cancellable for the term of the subscription and may contain provisions for minimum monthly payments.
- *Recurring variable revenue* represents revenue from contracts that specify a fee for services which is typically not fixed. The variable fee is usually paid monthly in arrears. Recurring variable revenue is based on, among other factors, the number of trades processed, assets under management, or the number of positions we value. Many of these contracts do not have a maturity date, while the remainder have an initial term ranging from one to five years. In the first quarter of 2017, this revenue was derived entirely from the Financial Services segment.
- *Non-recurring revenue* represents consulting (e.g., research and analysis, modeling, and forecasting), services, single-document product sales, software license sales and associated services, conferences and events, and advertising. Our non-recurring products and services are an important part of our business because they complement our recurring business in creating strong and comprehensive customer relationships.

*Non-GAAP measures.* We use non-GAAP financial measures such as EBITDA, Adjusted EBITDA, and free cash flow in our operational and financial decision-making. We believe that such measures allow us to focus on what we deem to be more reliable indicators of ongoing operating performance (Adjusted EBITDA) and our ability to generate cash flow from operations (free cash flow). We also believe that investors may find these non-GAAP financial measures useful for the same reasons, although we caution readers that non-GAAP financial measures are not a substitute for U.S. GAAP financial measures or disclosures. None of these non-GAAP financial measures are recognized terms under U.S. GAAP and do not purport to be an alternative to net income or operating cash flow as an indicator of operating performance or any other U.S. GAAP measure. Throughout this MD&A, we provide reconciliations of these non-GAAP financial measures to the most directly comparable U.S. GAAP measures.



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*EBITDA and Adjusted EBITDA.* EBITDA and Adjusted EBITDA are used by many of our investors, research analysts, investment bankers, and lenders to assess our operating performance. For example, a measure similar to Adjusted EBITDA is required by the lenders under our term loan and revolving credit agreements. We define EBITDA as net income plus or minus net interest, plus provision for income taxes, depreciation, and amortization. Our definition of Adjusted EBITDA further excludes primarily non-cash items and other items that we do not consider to be useful in assessing our operating performance (e.g., stock-based compensation expense, restructuring charges, acquisition-related costs, exceptional litigation, net other gains and losses, pension mark-to-market and settlement expense, the impact of joint ventures and noncontrolling interests, and discontinued operations).

*Free Cash Flow.* We define free cash flow as net cash provided by operating activities less capital expenditures.

Non-GAAP measures are frequently used by securities analysts, investors, and other interested parties in their evaluation of companies comparable to us, many of which present non-GAAP measures when reporting their results. These measures can be useful in evaluating our performance against our peer companies because we believe the measures provide users with valuable insight into key components of U.S. GAAP financial disclosures. For example, a company with higher U.S. GAAP net income may not be as appealing to investors if its net income is more heavily comprised of gains on asset sales. Likewise, excluding the effects of interest income and expense moderates the impact of a company's capital structure on its performance. However, non-GAAP measures have limitations as an analytical tool. Because not all companies use identical calculations, our presentation of non-GAAP financial measures may not be comparable to other similarly titled measures of other companies. They are not presentations made in accordance with U.S. GAAP, are not measures of financial condition or liquidity, and should not be considered as an alternative to profit or loss for the period determined in accordance with U.S. GAAP or operating cash flows determined in accordance with U.S. GAAP. As a result, these performance measures should not be considered in isolation from, or as a substitute analysis for, results of operations as determined in accordance with U.S. GAAP.

### **Global Operations**

Approximately 40 percent of our revenue is transacted outside of the United States; however, only about 20 percent of our revenue is transacted in currencies other than the U.S. dollar. As a result, a strengthening U.S. dollar relative to certain currencies has historically resulted in a negative impact on our revenue; conversely, a weakening U.S. dollar has historically resulted in a positive impact on our revenue. However, the impact on operating income is diminished due to certain operating expenses denominated in currencies other than the U.S. dollar. Our largest foreign currency exposures are the British Pound, Euro, Canadian Dollar, Singapore Dollar, and Indian Rupee.

### **Results of Operations**

#### **Total Revenue**

First quarter 2017 revenue increased 54 percent compared to the first quarter of 2016. The table below displays the percentage change in revenue due to organic, acquisitive, and foreign currency factors when comparing the three months ended February 28, 2017 to the three months ended February 29, 2016. Markit's first quarter 2017 revenue of approximately \$296 million, less the \$11 million change from the comparable 2016 period, has been included in the calculation of acquisitive growth in the table immediately below, and then the components of Markit's \$11 million revenue growth versus the prior year have been included in their related factors in the tables further below.

(All amounts represent percentage points)	Change in Total Revenue		
	Organic	Acquisitive	Foreign Currency
First quarter 2017 vs. first quarter 2016	1%	55%	(2)%

Reported organic revenue growth for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, was 1 percent. After normalizing for the timing of a Resource conference event and a Transportation conference event, both of which occurred in different quarters in 2017 compared to 2016, organic revenue growth was 2 percent. The organic revenue increase was primarily attributable to a combination of flat core IHS revenue (after normalizing for the timing of the conference events) and a 7 percent increase in core Markit revenue growth. Our Transportation segment continued to perform very well, while our Resources organic revenue decline continued in the difficult energy environment. Our CMS organic revenue growth declined primarily due to the loss of a large customer contract in 2016.

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Acquisitive revenue growth for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, was primarily due to the Merger, but was also impacted by the run-out of the CARPROOF and OPIS acquisitions from the first quarter of 2016.

Foreign currency had an adverse effect on our year-over-year revenue growth as the U.S. dollar continued to maintain its strength against foreign currencies, particularly the British Pound as a result of Brexit.

**Revenue by Segment**

(In millions, except percentages)	Three months ended February 28/29,		Percentage Change
	2017	2016	
Revenue:			
Resources	\$ 196.9	\$ 215.9	(9)%
Transportation	224.9	199.7	13 %
CMS	126.5	132.9	(5)%
Financial Services	295.9	—	N/A
Total revenue	\$ 844.2	\$ 548.5	54 %

The percentage change in revenue for each segment was due to the factors described in the following table.

(All amounts represent percentage points)	Increase (decrease) in revenue		
	First quarter 2017 vs. first quarter 2016		
	Organic	Acquisitive	Foreign Currency
Resources	(14)%	7%	(1)%
Transportation	11 %	2%	(1)%
CMS	(2)%	—%	(3)%
Financial Services	7 %	—%	(3)%

Resources revenue for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, continued to be negatively affected by the significant headwinds in the energy industries. On a constant currency basis, our Resources annual contract value (ACV), which represents the annualized value of recurring revenue contracts, declined by approximately \$12 million on a subscription base of approximately \$620 million as of the beginning of 2017, as renewals of certain multi-year agreements were not renewed at the same level of coverage as the prior agreement. Part of the organic revenue decline was also due to the shift in timing of our annual CERAWEEK conference from the first quarter in 2016 to the second quarter in 2017. Normalizing for CERAWEEK, Resources non-recurring organic revenue declined 13 percent, and Resources total organic revenue declined 8 percent.

Transportation revenue for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, continued to experience solid organic recurring and non-recurring growth, led by our automotive product offerings, with stable growth in the other transportation product categories. We continue to see strong organic growth in our automotive product category due to continued penetration and new products within our used car product offerings, and we expect to benefit from continued innovation around our new car product offerings as a result of new automotive technologies, global regulatory pressure to curb fuel consumption and emissions, and the increasing use of digital marketing.

CMS revenue for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, experienced organic revenue decline primarily due to the loss of a large RootMetrics customer late in the first quarter of 2016.

Financial Services revenue for the three months ended February 28, 2017, compared to the first quarter of 2016, experienced solid organic revenue growth in all areas. Within the Information product offerings, our 4 percent growth was supported by steady growth across a range of products, with particular strength in both our index and bond pricing products. Solutions product offerings growth of 10 percent was driven by improved levels of non-recurring software license revenue and solid managed services revenue following the launch of new regulatory and compliance products in the fourth quarter of 2016. Our Processing product offerings delivered 12 percent growth, driven by increased loan market activity with mixed derivative market activity.

### Revenue by Transaction Type

(in millions, except percentages)	Three months ended February 28/29,		Percent change	
	2017	2016	Total	Organic
<b>Revenue:</b>				
Recurring fixed	\$ 617.1	\$ 443.2	39%	1 %
Recurring variable	106.4	—	N/A	12 %
Non-recurring	120.7	105.3	15%	(5)%
<b>Total revenue</b>	<b>\$ 844.2</b>	<b>\$ 548.5</b>	<b>54%</b>	<b>1 %</b>
<b>As a percent of total revenue:</b>				
Recurring fixed	73%	81%		
Recurring variable	13%	—%		
Non-recurring	14%	19%		

Recurring fixed revenue organic growth was up slightly for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, with Transportation recurring offerings providing the largest contribution to the growth, Resources recurring offerings declining as a result of the reduction in the ACV base, minimal CMS growth, and minor Financial Services growth. Recurring variable revenue was composed entirely of Financial Services revenue, with strong double digit growth coming from each of our product offering categories within that segment.

Non-recurring organic revenue decreases for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, were primary due to the change in timing of two of our conference events. Normalizing for those events, non-recurring organic revenue growth was a positive 4 percent, with continued strength in Transportation and a strong contribution from Financial Services, partially offset by continued challenges in Resources and CMS.

### Operating Expenses

The following table shows our operating expenses and the associated percentages of revenue.

(In millions, except percentages)	Three months ended February 28/29,		Percentage Change
	2017	2016	
<b>Operating expenses:</b>			
Cost of revenue	\$ 327.0	\$ 210.8	55%
SG&A expense	268.0	186.5	44%
<b>Total cost of revenue and SG&amp;A expense</b>	<b>\$ 595.0</b>	<b>\$ 397.3</b>	<b>50%</b>
Depreciation and amortization expense	\$ 120.8	\$ 60.5	100%
<b>As a percent of revenue:</b>			
<b>Total cost of revenue and SG&amp;A expense</b>	<b>70%</b>	<b>72%</b>	
Depreciation and amortization expense	14%	11%	

### Cost of Revenue and SG&A Expense

In managing our business, we evaluate our costs by type (e.g., salaries) rather than by income statement classification. The significant increase in absolute total cost of revenue and SG&A expense was due to the Merger and, to a lesser extent, the CARPROOF and OPIS acquisitions in the first quarter of 2016. As a percentage of revenue, total cost of revenue and SG&A

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expense declined primarily because of the higher margin Financial Services segment, as well as ongoing cost management and rationalization efforts associated with acquisition integration.

Within our cost of revenue and SG&A expense, stock-based compensation expense increased by approximately \$45 million in the first quarter of 2017, compared to the first quarter of 2016, primarily as a result of the assumption and revaluation of legacy Markit outstanding awards at the Merger date and the acceleration of certain share awards associated with severance activities post-Merger.

#### ***Depreciation and Amortization Expense***

For the three months ended February 28, 2017, compared to the three months ended February 29, 2016, depreciation and amortization expense increased on both an absolute and percentage of revenue basis primarily because of intangible assets associated with the Merger and the first quarter 2016 acquisitions of CARPROOF and OPIS.

#### ***Acquisition-related Costs***

Please refer to Note 7 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of costs associated with our integration and other acquisition-related activities. During the three months ended February 28, 2017, we recorded approximately \$32 million of direct and incremental costs associated with acquisition-related activities, including employee severance charges and retention costs, contract termination costs for facility consolidations, and legal and professional fees primarily associated with the Merger.

#### ***Segment Adjusted EBITDA***

(In millions, except percentages)	Three months ended February 28/29,		Percentage Change
	2017	2016	
<b>Adjusted EBITDA:</b>			
Resources	\$ 80.0	\$ 87.4	(8)%
Transportation	89.8	73.4	22 %
CMS	28.6	27.5	4 %
Financial Services	129.2	—	N/A
Shared services	(7.4)	(8.5)	
<b>Total Adjusted EBITDA</b>	<b>\$ 320.2</b>	<b>\$ 179.8</b>	<b>78 %</b>
<b>As a percent of segment revenue:</b>			
Resources	41%	40%	
Transportation	40%	37%	
CMS	23%	21%	
Financial Services	44%	N/A	

For the three months ended February 28, 2017, compared to the three months ended February 29, 2016, Adjusted EBITDA increased primarily due to the Merger, and to a lesser extent, the CARPROOF and OPIS acquisitions in the first quarter of 2016, and continued cost management efforts. Resources segment Adjusted EBITDA declined due to the shift in timing of our annual CERAWEEK conference from the first quarter in 2016 to the second quarter in 2017, while Transportation segment Adjusted EBITDA increased because of high revenue growth that flowed through to segment Adjusted EBITDA.

As a percentage of revenue, Adjusted EBITDA for the Resources segment was flat, while Transportation's Adjusted EBITDA increased primarily because of the margin flow through from high revenue growth. The CMS growth was largely due to cost management and product rationalization efforts.

#### ***Provision for Income Taxes***

Our effective tax rate for the three months ended February 28, 2017 was negative 5.6 percent, compared to 20.1 percent for the three months ended February 29, 2016. The decrease in the 2017 rate is primarily due to the early adoption of ASU 2016-09, as well as merger costs and the new capital structure. The effect of the adoption of ASU 2016-09 reduced income tax expense for the first quarter of 2017 by approximately \$14 million, or 22 percentage points.

**EBITDA and Adjusted EBITDA (non-GAAP measures)**

The following table provides reconciliations of our net income to EBITDA and Adjusted EBITDA for the three months ended February 28, 2017 and February 29, 2016.

(In millions, except percentages)	Three months ended February 28/29,		Percentage Change
	2017	2016	
<b>Net income attributable to IHS Markit Ltd.</b>	\$ 66.0	\$ 45.2	46%
Interest income	(0.5)	(0.3)	
Interest expense	31.8	28.2	
(Benefit) Provision for income taxes	(3.6)	10.4	
Depreciation	36.1	23.5	
Amortization	84.7	37.0	
<b>EBITDA</b>	\$ 214.5	\$ 144.0	49%
Stock-based compensation expense	75.2	30.1	
Restructuring charges	(0.2)	5.7	
Acquisition-related costs	31.6	3.8	
Share of joint venture results not attributable to Adjusted EBITDA	(0.4)	—	
Adjusted EBITDA attributable to noncontrolling interest	(0.5)	—	
Income from discontinued operations, net	—	(3.8)	
<b>Adjusted EBITDA</b>	\$ 320.2	\$ 179.8	78%
<b>Adjusted EBITDA as a percentage of revenue</b>	37.9%	32.8%	

Our Adjusted EBITDA margin performance for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, increased primarily because of the Merger, the acquisitions in the first quarter of 2016, and our cost management efforts in a lower revenue growth environment. We expect to continue to drive margin improvement versus the prior year primarily as a result of the Merger and continued cost management.

**Financial Condition**

(In millions, except percentages)	As of February 28, 2017	As of November 30, 2016	Dollar change	Percent change
Accounts receivable, net	\$ 668.8	\$ 635.6	\$ 33.2	5 %
Accrued compensation	\$ 95.9	\$ 174.0	\$ (78.1)	(45)%
Deferred revenue	\$ 906.9	\$ 770.2	\$ 136.7	18 %

The increase in accounts receivable was primarily due to the fact that we typically have the highest level of subscription renewals in our first and fourth quarters, and this trend continued in 2017. The decrease in accrued compensation was primarily due to the 2016 bonus payout made in the first quarter of 2017, partially offset by the current year accrual. The increase in deferred revenue was primarily due to timing of billings in 2017.

**Liquidity and Capital Resources**

As of February 28, 2017, we had cash and cash equivalents of \$155 million, of which approximately \$135 million was held by our non-U.K. subsidiaries. Cash held by our legacy IHS non-U.S. subsidiaries could be subject to U.S. federal income tax if we were to decide to repatriate any of that cash to the U.S.; however, our intent is to permanently reinvest these funds outside of the U.S. and our current plans do not indicate a need to repatriate them to fund our U.S. operations. Our principal sources of liquidity include funds generated by operating activities, available cash and cash equivalents, and amounts available under a revolving credit facility. We had approximately \$3.71 billion of debt as of February 28, 2017, consisting primarily of \$657 million of revolving facility debt, \$1.68 billion of term loan debt, \$1.25 billion of senior notes, and \$150 million of institutional senior notes. As of February 28, 2017, we had approximately \$1.19 billion available under our revolving credit facility.

Our interest expense for the three months ended February 28, 2017, compared to the three months ended February 29, 2016, increased primarily because of a higher average debt balance.

Our Board of Directors has authorized a share repurchase program of up to \$2.25 billion of IHS Markit common shares through May 31, 2018, to be funded using our existing cash, cash equivalents, marketable securities and future cash flows, or through the incurrence of short- or long-term indebtedness, at management's discretion. This repurchase program does not obligate us to repurchase any set dollar amount or number of shares and may be modified, suspended, or terminated at any time without prior notice. Under the repurchase program, we are authorized to repurchase our common shares on the open market from time to time, in privately negotiated transactions, or through accelerated share repurchase (ASR) agreements, subject to availability of common shares, price, market conditions, alternative uses of capital, and applicable regulatory requirements, at management's discretion. As of February 28, 2017, we had repurchased approximately \$778 million of common shares under the program. Additionally, under the repurchase program, in March 2017, we entered into a \$200 million ASR agreement with a scheduled termination date in the second quarter of 2017. We expect to continue to repurchase shares throughout 2017.

Our Board of Directors has separately authorized, subject to applicable regulatory requirements, the repurchase of our common shares surrendered by employees in an amount equal to the exercise price, if applicable, and statutory tax liability associated with the vesting of their equity awards, for which we pay the statutory tax on behalf of the employee and forgo receipt of the exercise price of the award from the employee, if applicable. Such repurchases have been authorized in addition to the share repurchase program described above.

Because of our cash, debt, and cash flow positions, we believe we will have sufficient liquidity to meet our ongoing working capital and capital expenditure needs. Our future capital requirements will depend on many factors, including the number and magnitude of future acquisitions and share repurchase programs, the need for additional facilities or facility improvements, the timing and extent of spending to support product development efforts, information technology infrastructure investments, investments in our internal business applications, and the continued market acceptance of our offerings. We could be required, or could elect, to seek additional funding through public or private equity or debt financings; however, additional funds may not be available on terms acceptable to us.

**Cash Flows**

(In millions, except percentages)	Three months ended February 28/29,			
	2017	2016	Dollar change	Percent change
Net cash provided by operating activities	\$ 250.7	\$ 151.8	\$ 98.9	65 %
Net cash used in investing activities	\$ (66.4)	\$ (1,130.3)	\$ 1,063.9	(94)%
Net cash provided by (used in) financing activities	\$ (166.6)	\$ 747.3	\$ (913.9)	(122)%

The increase in net cash provided by operating activities was primarily due to the Merger and increased operating performance.

The decrease in net cash used in investing activities was principally due to the acquisitions of CARPROOF and OPIS in the first quarter of 2016, partially offset by increased capital expenditures in the first quarter of 2017.

The net cash used in financing activities in 2017 was primarily used to fund our share repurchase program, partially offset by cash received from stock option exercises. Cash from financing activities in the first quarter of 2016 was primarily used to fund the acquisitions of CARPROOF and OPIS.

[Table of Contents](#)**Free Cash Flow (non-GAAP measure)**

The following table reconciles our non-GAAP free cash flow measure to net cash provided by operating activities.

(In millions, except percentages)	Three months ended February 28/29,		Dollar change	Percent change
	2017	2016		
Net cash provided by operating activities	\$ 250.7	\$ 151.8		
Capital expenditures on property and equipment	(71.7)	(24.5)		
Free cash flow	\$ 179.0	\$ 127.3	\$ 51.7	41%

The increase in free cash flow was primarily due to the Merger and increased operating performance, partially offset by increased capital expenditure activity. Our free cash flow has historically been positive due to the robust cash generation attributes of our business model, and we expect that it will continue to be a significant source of funding for our business strategy of growth through organic and acquisitive means.

**Credit Facility and Other Debt**

Please refer to Note 4 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of the current status of our debt arrangements.

**Share Repurchase Programs**

Please refer to Note 11 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q and to Part II, Item 2 in this Quarterly Report on Form 10-Q for a discussion of our share repurchase programs.

**Off-Balance Sheet Transactions**

We have no off-balance sheet transactions.

**Critical Accounting Policies**

Our management makes a number of significant estimates, assumptions and judgments in the preparation of our financial statements. See “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates” in our 2016 Annual Report on Form 10-K for a discussion of the estimates and judgments necessary in our accounting for revenue recognition, business combinations, goodwill and other intangible assets, income taxes, pension and postretirement benefits, and stock-based compensation.

**Recent Accounting Pronouncements**

Please refer to Note 1 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements and their anticipated effect on our business.

**Item 3. Quantitative and Qualitative Disclosures About Market Risk**

For information regarding our exposure to certain market risks, see “Item 7A. Quantitative and Qualitative Disclosures About Market Risk,” in our 2016 Annual Report on Form 10-K.

Borrowings under the 2016 revolving facility and 2016 and 2017 term loans are subject to variable interest rates. We use interest rate swaps in order to fix a portion of our variable rate debt as part of our overall interest rate risk management strategy. As of February 28, 2017, we had approximately \$2.333 billion of floating-rate debt at a 2.20 percent weighted-average interest rate, of which \$400 million was subject to effective floating-to-fixed interest rate swaps. A hypothetical increase in interest rates of 100 basis points applied to our floating rate indebtedness would increase our annual interest expense by approximately \$19 million (\$23 million without giving effect to any of our interest rate swaps).

**Item 4. Controls and Procedures**

*(a) Evaluation of disclosure controls and procedures.*

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we have evaluated the effectiveness of our disclosure controls and procedures pursuant to Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act, as of the end of the period covered by this report. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act are effective at a reasonable assurance level to ensure that information required to be disclosed in the reports required to be filed or submitted under the Securities Exchange Act is (i) recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and (ii) accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

*(b) Changes in internal control over financial reporting.*

There were no changes in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**PART II. OTHER INFORMATION**

**Item 1. Legal Proceedings**

Please refer to Note 10 to the Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for information about legal proceedings.

**Item 1A. Risk Factors**

There have been no material changes to the risk factors associated with our business previously disclosed in "Item 1A. Risk Factors," in our 2016 Annual Report on Form 10-K.



**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

The following table provides detail about our share repurchases during the three months ended February 28, 2017.

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs (in millions)
<b>December 1 - December 31, 2016:</b>				
Share repurchase programs <sup>(1)</sup>	2,838,105	\$ 35.21	2,838,105	\$ 942.6
Employee transactions <sup>(2)</sup>	81,269	\$ 34.90	N/A	N/A
Accelerated share repurchase program <sup>(3)</sup>	5,564,830	36.74	5,564,830	N/A
<b>January 1 - January 31, 2017:</b>				
Share repurchase programs <sup>(1)</sup>	829,965	\$ 39.12	829,965	\$ 1,660.1
Employee transactions <sup>(2)</sup>	616,403	\$ 36.10	N/A	N/A
<b>February 1 - February 28, 2017:</b>				
Share repurchase programs <sup>(1)</sup>	3,551,286	\$ 40.08	3,551,286	\$ 1,472.2
Employee transactions <sup>(2)</sup>	1,059,203	\$ 39.61	N/A	N/A
Accelerated share repurchase program <sup>(3)</sup>	1,239,650	\$ 36.74	1,239,650	N/A
<b>Total share repurchases</b>	<b>15,780,711</b>	<b>\$ 37.50</b>	<b>14,023,836</b>	

For the first quarter of 2017, we repurchased approximately \$592 million of common shares, including approximately \$525 million in open market share repurchases (described in notes (1) and (3) below), and approximately \$67 million in employee transactions (described in note (2) below).

<sup>(1)</sup>In August 2016, our Board of Directors authorized a share repurchase program of up to \$1.5 billion of IHS Markit common shares from September 29, 2016 through November 30, 2017, to be funded using our existing cash, cash equivalents, marketable securities and future cash flows, or through the incurrence of short- or long-term indebtedness, at management's discretion. In January 2017, our Board of Directors increased the size of the program to up to \$2.25 billion of IHS Markit common shares and extended the program's termination date to May 31, 2018. This current repurchase program does not obligate us to repurchase any set dollar amount or number of shares and may be modified, suspended, or terminated at any time without prior notice. Under this program, we are authorized to repurchase our common shares on the open market from time to time, in privately negotiated transactions, or through accelerated share repurchase agreements, subject to availability of common shares, price, market conditions, alternative uses of capital, and applicable regulatory requirements, at management's discretion.

<sup>(2)</sup> Amounts represent common shares surrendered by employees in an amount equal to the statutory tax liability associated with the vesting of their equity awards. We then pay the statutory tax on behalf of the employee. Our Board of Directors has approved this program in an effort to reduce the dilutive effects of employee equity grants. This program is separate and additional to the repurchase program described in note (1).

<sup>(3)</sup> On December 1, 2016, we funded a \$250 million accelerated share repurchase (ASR) agreement with a scheduled termination date in the first quarter of 2017. Upon funding of the ASR, we received an initial delivery of 5.565 million shares. At the completion of the ASR on February 13, 2017, we received an additional 1.240 million shares. The average price paid per share presented above reflects the average price for the 6.805 million total shares repurchased through the ASR.

**Item 5. Other Information**

***Iran Threat Reduction and Syria Human Rights Act Disclosure***

Under the Iran Threat Reduction and Syrian Human Rights Act of 2012, which added Section 13(r) of the Securities Exchange Act, we are required to include certain disclosures in our periodic reports if we or any of our affiliates knowingly engaged in certain specified activities during the period covered by the report. Disclosure is generally required even if the transactions or dealings were conducted in compliance with applicable law and regulations. During the third quarter of 2014, we acquired Global Trade Information Services, a Virginia corporation ("GTIS"). GTIS publishes the Global Trade Atlas (the "GTA"), an online trade data system offering global merchandise trade statistics such as import and export data from official sources in more than 65 countries. Included in the GTA is certain trade data sourced from Iran for which GTIS pays an annual fee of approximately \$30,000. The procurement of this information is exempt from applicable economic sanctions laws and regulations as a funds transfer related to the exportation or importation of information and informational materials. Sales attributable to this Iranian trade data represented approximately \$75,000 in gross revenue for GTIS in the first quarter of 2017 and would have represented approximately 0.01 percent of our first quarter 2017 consolidated revenues and gross profits. Subject to any changes in the exempt status of such activities, we intend to continue these business activities as permissible under applicable export control and economic sanctions laws and regulations.

**Item 6. Exhibits**

(a) Index of Exhibits

<b>Exhibit Number</b>	<b>Description</b>
10.1+*	First Amendment dated March 19, 2016 to contract of employment for Lance Ugglá
10.2+*	Second Amendment dated January 24, 2017 to contract of employment for Lance Ugglá
10.3+*	Second Amendment dated February 3, 2017 to letter agreement for Todd Hyatt
10.4+*	IHS Markit Ltd. 2014 Equity Incentive Award Plan - 2014 Form of Performance Share Unit Agreement
10.5+*	IHS Markit Ltd. 2014 Equity Incentive Award Plan - 2014 Form of Performance Share Unit Agreement
10.6+*	IHS Markit Ltd. 2014 Equity Incentive Award Plan - 2014 Form of Restricted Share Unit Agreement
10.7+*	Amendment #4 to IHS Markit Ltd. 2014 Equity Incentive Award Plan
31.1*	Certification of the Chief Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act
31.2*	Certification of the Chief Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act
32*	Certification of the Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

\* Filed herewith.

+ Compensatory plan or arrangement.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on March 28, 2017.

IHS MARKIT LTD.

By: /s/ Michael Easton

Name: Michael Easton

Title: Senior Vice President and Chief Accounting Officer

**MARKIT GROUP LIMITED**  
**AMENDMENT TO CONTRACT OF EMPLOYMENT**  
**PURSUANT TO THE EMPLOYMENT RIGHTS ACT 1996**

Amendment dated as of March 19, 2016 (this "Amendment") to the Contract of Employment dated as of July 1, 2014 (the "Current Agreement") between Markit Group Limited (the "Company") and Lance Ugglá ("Executive").

**W I T N E S S E T H**

**WHEREAS**, Markit Ltd. is entering into an Agreement and Plan of Merger, dated as of March 20, 2016 (the "Merger Agreement"), with Marvel Merger Sub, Inc., and IHS, Inc.; and

**WHEREAS**, in connection with the transactions contemplated by the Merger Agreement (the "Merger"), the Company and Executive have agreed to amend the terms and conditions of the continued employment of Executive by the Company.

**NOW THEREFORE**, for good and valuable consideration, the receipt of which is hereby by acknowledged by each of the parties, the Company and Executive hereby agree as follows:

**1. AMENDMENTS**

(a) Clause 1.1 of the Current Agreement is hereby amended and restated in its as follows:

"Your employment will continue under this statement commencing on the Effective Date until terminated pursuant to the terms of this statement (such period, the "**Term**"). Effective as of the Effective Time (as defined below), you will serve as the President and Head of Integration of Markit Ltd. ("**Markit**") reporting to the Chief Executive Officer of Markit. In this role, you will have primary responsibility for matters of integration with respect to the businesses of Markit and IHS, Inc. ("**IHS**") and potential opportunities for synergies in respect thereof following the Closing Date (as defined below). Effective no later than January 1, 2018, you will be appointed as the Chairman of the Board of Directors of Markit (the "**Board**") and Chief Executive Officer of Markit. In connection with your roles, you will perform all acts, duties and obligations and comply with such orders as may be designated by the Company from time to time. The Company may require you to undertake the duties of another position, in addition to the above duties, it being understood that you will not be required to perform duties which are not reasonably within your capabilities. You will also serve (or continue to serve) as an officer and/or director of any Group Company as specified by the Company, in each case without additional compensation. You will serve the Company faithfully and diligently in the performance of your duties. You will use your best efforts to further the interests of the Company and to comply with all lawful instructions and directions of the Company as may be in effect from time to

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time. Your continuous employment date is 31 July 1995. For purposes of this Agreement, the “**Effective Time**” and the “**Closing Date**” have the meanings set forth in the Agreement and Plan of Merger, dated as of March 20, 2016 (the “**Merger Agreement**”) among Markit, Marvel Merger Sub, Inc. and IHS.”

(b) Clause 8.8 of the Current Agreement is hereby amended and restated as follows:

“For the purposes of this statement, you will have “**Good Reason**” to terminate your employment within 30 days after the occurrence (without your consent) of any of the following: (1) a material diminution of your rate of Basic Salary or other material failure to provide the compensation due pursuant to this statement; (2) a material diminution of your authority, duties, responsibilities, or title; or (3) a material breach by the Company of this statement, provided, however, that any such condition or conditions, as applicable, will not constitute grounds for Good Reason unless both (x) you provide written notice to the Company of the condition claimed to constitute grounds for Good Reason within 60 days of the initial existence of such condition(s), and (y) the Company fails to remedy such condition(s) within 30 days of receiving such written notice thereof. In addition, you will also have “**Good Reason**” to terminate your employment upon 30 days written notice to the Company if (1) the Board does not decide on your appointment as the Chairman of the Board and Chief Executive Officer of Markit by September 1, 2017 or (2) you are not serving in such roles by January 1, 2018 (either of (1) or (2) being a “**Succession Trigger**”). In all events the termination of your employment with the Company will not constitute Good Reason unless such termination occurs not more than 210 days following the initial existence of the condition claimed to constitute grounds for a Good Reason termination hereunder.”

(c) A new clause 9.1.3 is hereby inserted following clause 9.1.2 of the Current Agreement as follows:

“9.1.3 in the event that your employment is terminated by (x) you for Good Reason as a result of the occurrence of a Succession Trigger or (y) the Company without Cause after the 12-month anniversary of the Closing Date and on or prior to January 1, 2018, you will be entitled to receive the Basic Severance and the Change in Control Severance. The Basic Severance and the Change in Control Severance payable under this clause 9.1.3 will be paid in the same manner and at the same times as provided in clauses 9.1.1 and 9.1.2, respectively. In addition, in the event that your employment is terminated by (x) you for Good Reason as a result of the occurrence of a Succession Trigger or (y) the Company without Cause after the 12-month anniversary of the Closing Date and on or prior to January 1, 2018, (i) any outstanding equity awards granted to you under the Plan will vest on the Termination Date and (ii) any outstanding equity awards granted to you under the Markit Key Employee Incentive Program (the “**KEIP**”) that are unvested as of (and do not otherwise vest on) the Termination Date will remain outstanding and continue to vest in accordance with their original vesting schedule, and will vest in full upon the first anniversary of the Termination Date; *provided, however, that*, in the event

you breach your obligations under clauses 10.2.1 through 10.2.6, any equity awards granted to you under the KEIP that were unvested as of (and do not otherwise vest on) the Termination Date will be forfeited for no consideration. Any KEIP awards held by you that vest in accordance with the preceding sentence, as a result of the termination of your employment pursuant to the KEIP as amended in connection with the Merger Agreement or were otherwise previously vested, will remain outstanding until the expiration of their originally scheduled term as set forth in the applicable KEIP award documentation.”

(d) Clause 9.1.3 of the Current Agreement (A) is hereby renumbered as clause 9.1.4, and all other references to clause 9.1.3 in the Current Agreement will be read to refer to clause 9.1.4 and (B) will be amended and restated in its entirety as follows:

“9.1.4 in the event of either clause 9.1.1, 9.1.2 or 9.1.3, the prerequisites listed in clause 2.3 and in effect at the time of termination of your employment will continue for the corresponding severance period as calculated in the situations above.”

## **2. GOOD REASON WAIVER**

Executive hereby agrees that his appointment as the President and Head of Integration of Markit effective as of the Effective Time, will not, in and of itself, constitute a material diminution of Executive’s authority, duties, responsibilities, or title and accordingly, will not constitute Good Reason for Executive to terminate his employment; *provided, however*, that such agreement will not constitute a waiver of Executive’s right to terminate his employment for Good Reason following the Effective Time should any other event, act or omission occur that would otherwise constitute Good Reason.

## **3. EFFECTIVENESS OF AMENDMENT**

This Amendment will become effective on the Closing Date (as defined in the Merger Agreement). In the event that the Merger does not occur, this Amendment will be null and void and will have no further force or effect. Except as amended by the terms of this Amendment, the Current Agreement will remain in full force and effect in accordance with its terms.

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*[Remainder of Page Left Intentionally Blank]*

**In witness whereof this amendment has been signed as a deed and delivered on the date written below.**

***Signed as a deed by:***

/s/ Lance Uggla            19/3/2016

\_\_\_\_\_  
Lance Uggla    Date

***In the presence of:***

/s/ Sari Granat            19/3/2016

\_\_\_\_\_  
Name / Signature      Date

***Signed on behalf of Markit Group Limited by:***

/s/ Sarah Bateman            18/3/2016

\_\_\_\_\_  
Name / Signature      Date

*[Signature Page for Lance Uggla Markit Group Limited Amendment to Contract of Employment]*

**MARKIT GROUP LIMITED**  
**SECOND AMENDMENT TO CONTRACT OF EMPLOYMENT**  
**PURSUANT TO THE EMPLOYMENT RIGHTS ACT 1996**

Amendment dated as of January 24, 2017 (this "Amendment") to the Contract of Employment dated as of July 1, 2014 (the "Current Agreement") between Markit Group Limited (the "Company") and Lance Ugglä ("Executive"), as amended as of March 19, 2016.

**W I T N E S S E T H**

**WHEREAS**, the Company and Executive have agreed to amend the terms and conditions of the continued employment of Executive by the Company.

**NOW THEREFORE**, for good and valuable consideration, the receipt of which is hereby by acknowledged by each of the parties, the Company and Executive hereby agree as follows:

**1. AMENDMENTS**

(a) Clause 2.3 and clause 9.1.3 of the Current Agreement are hereby deleted in their entirety.

(b) Clause 2.4 of the Current Agreement is hereby renumbered as clause 2.3, and all other references to clause 2.4 in the Current Agreement will be read to refer to clause 2.3.

**2. EFFECTIVENESS OF AMENDMENT**

This Amendment will become effective as of December 1, 2016.

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*[Remainder of Page Left Intentionally Blank]*

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**In witness whereof this amendment has been signed as a deed and delivered on the date written below.**

***Signed as a deed by:***

/s/ Lance Uggla                      01/24/2017

\_\_\_\_\_  
Lance Uggla    Date

***In the presence of:***

/s/ Christopher McLoughlin                      01/24/2017

\_\_\_\_\_  
Name / Signature                      Date

***Signed on behalf of Markit Group Limited by:***

/s/ Christopher McLoughlin                      01/24/2017

\_\_\_\_\_  
Name / Signature                      Date

**IHS INC.**  
**SECOND AMENDMENT TO CONTRACT OF EMPLOYMENT**  
**PURSUANT TO THE EMPLOYMENT RIGHTS ACT 1996**

Amendment dated as of February 3, 2017 (this "Amendment") to the Letter Agreement (the "July 2016 Letter Agreement") dated as of July 8, 2016 between IHS Inc. (the "Company") and Todd Hyatt ("Executive"), amending the offer letter dated as of October 31, 2013 between the Company and the Executive (the "October 2013 Letter Agreement").

**W I T N E S S E T H**

**WHEREAS**, the Company and Executive have agreed to amend the terms and conditions of the continued employment of Executive by the Company.

**NOW THEREFORE**, for good and valuable consideration, the receipt of which is hereby by acknowledged by each of the parties, the Company and Executive hereby agree as follows:

**1. AMENDMENTS**

- (a) Clauses 5(ii) and 5(iii) of the October 2013 Letter Agreement are hereby deleted in their entirety.
- (b) Clauses 6(ii) and 6(iii) of the October 2013 Letter Agreement are hereby deleted in their entirety.
- (c) Clauses 1(a), 4(a) and 4(b) of the July 2016 Letter Agreement are hereby deleted in their entirety.
- (d) Clause 4(d)(iv) and the last sentence of clause 4(d) of the July 2016 Letter Agreement are hereby deleted in their entirety and clause 4(d) shall read in its entirety as follows:

““Good Reason” means the occurrence of any of the following (i) a reduction in base salary or target annual cash bonus percentage opportunity from that in effect on the date hereof, (ii) assignment to a position that represents a materially diminished level of authority and responsibility with the Company from that in effect on June 6, 2016; provided, that if you are assigned to such a position after June 6, 2016 but prior to the Merger Closing Date, the occurrence of such Good Reason circumstance shall be deemed to have first occurred on the Merger Closing Date, or (iii) a requirement by the Company that your principal location of work be relocated by more than 50 miles from its location on the date hereof without your consent. Notwithstanding the foregoing, none of the events in clauses (i) through (iii) above shall constitute Good Reason for purposes of this letter agreement unless (x) you provide the Company with a written notice specifying the circumstances alleged to constitute Good Reason within 30 days after the first occurrence of such circumstances, (y) the Company fails to cure such circumstances in all material respects within 30 days following delivery to the Company of such notice and (z) your Termination Date occurs within 30 days following the expiration of the foregoing cure period, unless another Termination Date is mutually agreed to between you and

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the Company, which such date shall not be later than 6 months following the date you provided written notice to the Company.”

(e) New clause 1(e) is hereby added to the July 2016 Letter Agreement as follows:

“(e) In the event your employment is terminated with the Company or its affiliates by reason of your Retirement, you will be eligible to receive the Health Benefits set forth in clause 1(c) for the Continuation Period.”

(f) New clause 1(f) is hereby added to the July 2016 Letter Agreement as follows:

“(f) In the event your employment is terminated with the Company or its affiliates by reason of your Retirement, all unvested restricted share units and other equity awards that were granted to you shall continue to vest and be settled in accordance with the original vesting schedule as set forth in such restricted stock units or other equity awards as if you had remained an employee of the Company or its affiliates during the full vesting period; provided, however, that (i) you have remained an employee of the Company or its affiliates for six (6) full months following the grant date of such restricted stock units or other equity awards; (ii) during your employment with the Company or its affiliates or any time thereafter during the full vesting period, you have not and do not engage in any activity in competition with Company or its affiliates or which is inimical, contrary or harmful to the interests of the Company or its affiliates (to the fullest extent not prohibited by applicable law), as determined by the Company’s Human Resources Committee, and you certify as to such non-engagement upon the request of the Company; and (iii) upon the request of the Company, you execute and do not revoke a release of claims in favor of the Company and its affiliates, in a form satisfactory to the Company which must be executed by you and delivered to the Company by no later than the 52<sup>nd</sup> day following the date of your Retirement. For the avoidance of doubt, any unvested restricted share units or other equity awards granted to you will be cancelled for no consideration and cease to be outstanding if you engage in any of the prohibited conduct as described in this subsection 1(f). The terms and conditions of such equity incentive awards shall otherwise be subject to the terms and conditions of the Company’s 2014 Equity Incentive Award Plan (or any applicable successor plan) and the applicable award agreements.”

(g) New clause 1(g) is hereby added to the July 2016 Letter Agreement as follows:

“(g) In the event your employment is terminated by the Company or its affiliates without Cause or by you for Good Reason at any time after February 1, 2017, then any unvested portion of the equity award for 126,746 restricted share units granted to you on February 1, 2017 shall vest in full upon the date of such termination of employment; provided further, that, upon the request of the Company, you execute and do not revoke a release of claims in favor of the Company and its affiliates, in a form satisfactory to the Company which must be executed by you and delivered to the Company by no later than the 52<sup>nd</sup> day following the date of your termination of employment.”

(h) New clause 4(e) is hereby added to the July 2016 Letter Agreement as follows:

“(e) “Retirement” means your voluntary termination of employment with the Company on or after the date on which you have at least sixty (60) years of age (not rounded up). You will not be treated as having incurred a termination of employment by reason of Retirement if the Company or its affiliates had Cause to terminate your employment at the time of your termination of employment.”

**2. EFFECTIVENESS OF AMENDMENT; CONFLICTS; GOVERNING LAW**

This Amendment is effective as of February 1, 2017. In the event of any conflict between this Amendment and any award that Executive receives, this Amendment shall control. This Amendment shall be construed and enforced in accordance with the laws of the State of Colorado (without reference to its conflicts of laws provisions).

**In witness whereof this amendment has been signed as a deed and delivered on the date written below.**

***Signed as a deed by:***

/s/ Todd Hyatt                      2/3/2017

\_\_\_\_\_  
Todd Hyatt    Date

***In the presence of:***

/s/ Dawn Kindred                      2/3/2017

\_\_\_\_\_  
Name / Signature                      Date

***Signed on behalf of IHS Inc. by:***

/s/ Sari Granat                      2/3/2017

\_\_\_\_\_  
Sari Granat  
Name / Signature                      Date

**IHS MARKIT LTD.  
2014 EQUITY INCENTIVE AWARD PLAN  
IHS MARKIT LTD. PERFORMANCE SHARE UNIT GRANT NOTICE AND  
PERFORMANCE SHARE UNIT AGREEMENT**

IHS Markit Ltd., an exempted company incorporated under the laws of Bermuda (the "**Company**"), pursuant to its 2014 Equity Incentive Award Plan (the "**Plan**"), hereby grants to the individual listed below ("you" or the "**Holder**") an award of Performance Share Units ("**PSUs**") indicated below, which PSUs shall be subject to vesting based on your continued employment with the Company (or any Affiliate), as provided herein. This award of PSUs, together with any accumulated Dividend Equivalents as provided herein (the "**Award**"), is subject to all of the terms and conditions as set forth herein, and in the Performance Share Unit Agreement attached hereto as Exhibit A (the "**Agreement**") and the Plan, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Performance Share Unit Grant Notice (the "**Grant Notice**") and the Agreement.

Holder:

Employee ID:

Grant Date:

Number of PSUs granted at "Target"  
performance level:

Performance Measures: Three-Year Cumulative Adjusted EPS with a Total Shareholder Return ("TSR") modifier, as set forth in "Vesting and Payment" in the Agreement.

By your signature below, or by your submitting your electronic acceptance of the Award subject to this Grant Notice as designated by the Company, you agree to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. You agree to access copies of the Plan and the prospectus governing the Plan (collectively, the "**Plan Documents**") on the Company's intranet or on the website of the Company's designated brokerage firm. Paper copies are also available upon request to the Secretary of the Company at the Company's corporate offices. **YOU MUST ACCEPT THIS AWARD BY THE DATE DETERMINED AND COMMUNICATED TO YOU BY THE COMPANY OR THE AWARD WILL AUTOMATICALLY BE CANCELLED.**

You have reviewed this Grant Notice, the Agreement and the Plan Documents in their entirety, have had an opportunity to obtain the advice of counsel prior to executing this Grant Notice or accepting the Award subject hereto and fully understand all provisions of this Grant Notice, the Agreement and the Plan. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, this Grant Notice or the Agreement.

**HOLDER:**

By: \_\_\_\_\_

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## EXHIBIT A

### TO PERFORMANCE SHARE UNIT GRANT NOTICE PERFORMANCE SHARE UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to you the right to receive a number of PSUs set forth in the Grant Notice, together with any Dividend Equivalents pursuant to Section 2(f) below, subject to all of the terms and conditions set forth in this Agreement and the Grant Notice. The Award is also subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice, as applicable.

#### **Terms and Conditions**

1. **Grant of PSUs.** Effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”), and subject to the terms and conditions set forth in the Plan and this Agreement, the Company has granted to you, pursuant to the Grant Notice and the Plan, the number of PSUs set forth in the Grant Notice and accumulated Dividend Equivalents pursuant to Section 2(f) below, subject to the restrictions, terms and conditions set forth in this Agreement and the Plan. Each PSU represents the right to receive one Share at the time provided for herein, together with any Dividend Equivalent issued in respect thereof. Your right to receive Shares and Dividend Equivalents under this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

2. **PSUs.**

(a) **Rights as a Shareholder.** You shall have no rights of a shareholder with respect to the Shares represented by PSUs, including, but not limited to, the right to vote and to receive dividends, unless and until such Shares are transferred to you pursuant to the Plan and this Agreement.

(b) **Vesting and Payment.** To the extent the performance objectives described in 2.(b)(i) below (collectively, the “Performance Objectives”) are satisfied as of the completion of the performance period for this Award (the “Performance Period”), this Award will become vested and free of restrictions in accordance with clause (ii) below, as of the date the Committee makes the certification referenced in clause (iii) below (the “Performance Vesting Date”), subject to the provision on Termination below. The Performance Period begins December 1, 2016 and ends November 30, 2019 and is also referred to as the “Fiscal Years 2017-2019 Performance Period.”

(i) **Performance Objectives.** The Committee has established “performance objectives” for this Award to be (A) cumulative Adjusted EPS (as defined below) during the Performance Period and also referred to as the “Core Metric,” or the “Three-Year Cumulative Adjusted EPS” of the Company during the Performance Period, and (B) the total shareholder return (“TSR”) of the Company compared to the companies that are included in the Standard & Poor’s 500 Index at the beginning of the TSR Rank Measurement Period (the “S&P 500 Index”) <sup>(1)</sup>. The numerical goals for the Core Metric and the TSR Modifier will be provided to you in a separate communication from the Company.

“**Adjusted EPS**” means Adjusted net income divided by diluted weighted average shares. Adjusted net income is defined as net income plus primarily non-cash items and other items that management does not consider to be useful in assessing our operating performance (e.g., share-based compensation expense, amortization related to acquired intangible assets, restructuring charges, acquisition-related costs, acquisition financing fees, net other gains and losses, pension mark-to-market and settlement expense, the impact of noncontrolling interests, and discontinued operations, all net of the related tax effects).

"**TSR Rank**" for the Performance Period means the aggregate TSR of IHS Markit common shares over the period beginning December 1, 2016 and ending on November 30, 2019 (the "**TSR Rank Measurement Period**"), compared to the TSR over the same period for the S&P 500 Index. TSR will be calculated using a beginning price equal to the average price of IHS Markit common shares and the S&P 500 Index over the 20 trading days preceding the start date of the Performance Period and an ending price equal to the average price over the 20 trading days preceding the end date of the Performance Period, and accounting for reinvestment of any dividends over this period. For purposes of this provision, TSR will be calculated using the average of the closing prices for the applicable periods.

"**Target Number of Units Granted**" means the number of PSUs granted at "Target" performance level as stated in the Grant Notice. The Target Number of Units Granted represents Shares that will be earned should the Three-Year Cumulative Adjusted EPS be met at a "Target" performance level and the Company's TSR Rank is at the 50<sup>th</sup> percentile and you remain employed through the vesting period.

In addition, anything herein to the contrary notwithstanding, in the event at any time on or prior to November 30, 2019 the Company adopts converged accounting standards as outlined in the FASB and IASB project calendar or changes its financial reporting from US GAAP to IFRS, Adjusted Revenue shall be calculated for purposes of determining whether the Performance Objective has been satisfied on the basis of US GAAP as in effect and applied immediately before such change to converged standards or to IFRS shall have become effective.

(ii) **Performance-Based Vesting.** Subject to the provision on Termination below and to clause (iii) below, the PSUs covered by this Award that will vest and become free of restrictions on the Performance Vesting Date will be calculated as set forth on Annex A attached hereto. The calculation provided on Annex A may allow for the partial or full vesting of this Award based upon the level of achievement of the Performance Objectives.

(iii) **Committee Certification.** Prior to the PSUs covered by this Award vesting and becoming free of restrictions, the Committee must certify in writing that the Performance Objectives were, in fact, satisfied, which certification will be made on such date specified by the Committee.

(iv) Subject to the terms of this Agreement and the Plan, the Shares and any accumulated Dividend Equivalents shall be delivered and paid to you as soon as practicable following the applicable Performance Vesting Date. In its sole discretion, the Company may elect to deliver the Shares to you by book-entry in the Company's books or by electronic delivery to a brokerage account established for your benefit at a financial/brokerage firm selected by the Company. You agree to complete and sign any documents and take any additional action that the financial/brokerage firm designated by the Company may request to enable the Company to deliver the Shares on your behalf. The date of settlement shall not be later than 2½ months after the later of (i) the end of the Company's fiscal year in which the applicable vesting date occurs or (ii) the end of the calendar year in which the applicable vesting date occurs.

(c) **Forfeiture.** Upon your Termination of Service as an employee, Director, and consultant, for any reason, other than your death, Disability or Retirement, any and all unvested PSUs underlying this Award, together with any and all unvested accumulated Dividend Equivalents, shall automatically be cancelled for no consideration, and shall cease to be outstanding. Should you cease to be an Employee but continue to provide services as a Non-Employee Director or Consultant, you will continue to vest in any and all unvested PSUs.



In the event of your Termination of Service prior to the Performance Vesting Date due to your death or Disability, the unvested PSUs shall vest and be free of restrictions on the date of Termination of Service due to death or Disability to such extent as if all Performance Objectives had been fully satisfied at "Target" performance level.

In the event of your Termination of Service due to Retirement (as defined below), the unvested PSUs underlying the Award shall continue to vest and be settled in accordance with the original vesting schedule as set forth in the Grant Notice, based on the actual performance results at the end of the Performance Period, as if you had remained an Employee during the full vesting period; *provided, however*, (that you have remained an Employee for six (6) full months following the Grant Date )

"Retirement" means your voluntary Termination of Service with the Company or any Affiliate on or after the date on which you have at least sixty (60) years of age (not rounded up) and you have completed at least ten (10) whole years of service with the Company or any Affiliate (not rounded up).

(a) **Restriction on Transfer of PSUs.** No PSUs shall be transferable by you other than by will or by the laws of descent and distribution. Any attempt to transfer the PSUs other than in accordance with the expressed terms of the Plan shall be void.

(b) **Certain Legal Restrictions.** The Plan, this Agreement, the granting, vesting and settlement of the PSUs and any Dividend Equivalents, and any obligations of the Company under the Plan and this Agreement, shall be subject to all applicable federal, foreign, provincial, state and local laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required, and to any rules or regulations of any exchange on which the Shares are listed.

(c) **Dividend Equivalents.** During the period from the Grant Date through the date on which Shares underlying vested PSUs are issued to you pursuant to Section 2(b), in the case of Share dividends, the number of PSUs subject to this award shall be increased or decreased by the number of Shares you would have received on the date of payment of the dividend with respect to the number of Shares underlying the unvested PSUs under this award on such date at the applicable performance level. For the avoidance of doubt, the additional PSUs shall be subject to the same vesting requirements and restrictions as the unvested PSUs. In the case of cash dividends, you will be credited with cash dividends, without earnings, payable on the number of Shares that vest pursuant to Section 2(b) above. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the PSUs originally awarded pursuant to the Grant Notice and this Agreement, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original PSU award.

(d) **Corporate Events.** Except as otherwise provided in the Grant Notice or this Agreement, the provisions of Section 13.2 of the Plan shall apply to the PSUs and any Dividend Equivalents.

3. **Withholding of Taxes.** You acknowledge that you are required to make acceptable arrangements to pay any withholding taxes that may be due as a result of receipt of this Award or the vesting (including continued vesting) and payout of the PSUs that you receive under this Award, and no Shares will be released to you until you have made such arrangements. These arrangements may include any one or a combination of the following, as determined by the Company or the Committee: (a) the Company's repurchase of Shares to be issued upon settlement of the PSUs (b) the sale of Shares acquired upon settlement of the PSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); (c)

direct payment by you to the Company; (d) payroll withholding from your wages or other cash compensation paid to you by the Company; or (e) any other method as the Company or Committee may elect in compliance with the Plan, the Code and applicable law. The FMV of the Shares that are repurchased, if applicable, will be determined as of the date when the taxes otherwise would have been withheld in cash, and will be applied as a credit against the taxes.

Depending on the withholding method, the Company may withhold or account for withholding taxes by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the common share equivalent. If the obligation for taxes is satisfied by the repurchase of Shares, you are deemed to have been issued the full number of Shares subject to the vested RSU, notwithstanding that a number of the Shares are repurchased solely for the purpose of paying the taxes.

You acknowledge that the ultimate liability for all tax obligations legally due by you is and remains your responsibility.

If you are subject to tax liabilities in more than one jurisdiction between the grant date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that the Company may be required to withhold or account for tax liability in more than one jurisdiction.

4. **Provisions of Plan Control.** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan as may be adopted by the Committee and as may be in effect from time to time. The Plan is incorporated herein by reference. If and to the extent that any provision of this Agreement conflicts or is inconsistent with the terms set forth in the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly.

5. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior agreements between the Company and the Holder with respect to the subject matter hereof.

6. **Notices.** Any notice or communication given hereunder shall be in writing or by electronic means as set forth in Section 11 below and, if in writing, shall be deemed to have been duly given: (i) when delivered in person; (ii) two (2) days after being sent by United States mail; or (iii) on the first business day following the date of deposit if delivered by a nationally recognized overnight delivery service, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify):

If to the Company, to:

Corporate Human Resources  
IHS Markit  
15 Inverness Way East  
Englewood, Colorado 80112  
Telephone No.  
E-mail:

If to the Holder, to the address on file with the Company.

7. **No Guarantee of Continued Employment.** YOU ACKNOWLEDGE AND AGREE THAT THIS AWARD DOCUMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE

"VESTING SCHEDULE" SET FORTH IN THIS AWARD DOCUMENT DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED EMPLOYMENT FOR THE VESTING PERIOD, FOR ANY PERIOD OR AT ALL AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE COMPANY'S OR ANY AFFILIATE'S RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME OR FOR ANY REASON NOT PROHIBITED BY LAW, AND WILL NOT CONFER UPON YOU ANY RIGHT TO CONTINUE YOUR EMPLOYMENT FOR ANY SPECIFIED PERIOD OF TIME.

8. **Data Protection.** By participating in the Plan and entering into this Agreement, you hereby consent to the holding and processing of personal information provided by you to the Company, any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include, but are not limited to: (i) administering and maintaining your records; (ii) providing information to the Company, Affiliates, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan; (iii) providing information to future purchasers or merger partners of the Company or any Affiliate, or the business in which the Holder works; and (iv) transferring information about the Holder to any country or territory that may not provide the same protection for the information as the Holder's home country. Personal information may include, but shall not be limited to:

- Personal data: Name, address, telephone number, fax number, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport or visa information, age, language skills, driver's license information, birth certificate and employee number.
- Employment information: Curriculum vitae or resume, wage history, employment references, job title, employment or severance agreement, plan or benefit enrollment forms and elections and equity compensation or benefit statements.
- Financial information: Current wage and benefit information, personal bank account number, brokerage account information, tax related information and tax identification number.

The Company may, from time to time, process and transfer this or other information for internal compensation and benefit planning (specifically, for enrollment purposes in the Plan and the administration of the Plan), to determine training needs, to develop a global human resource database and to evaluate skill utilization.

9. **Acquired Rights.** In accepting the Award, you acknowledge that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan;
- (b) the award of PSUs is voluntary and occasional and does not create any contractual or other right to receive future awards of PSUs, or benefits in lieu of PSUs even if PSUs have been awarded repeatedly in the past;
- (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;
- (d) your participation in the Plan is voluntary;
- (e) the PSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or to your actual employer, and PSUs are outside the scope of your employment contract, if any;

(f) the PSUs are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;

(g) neither the PSUs nor any provision of this Award Document, the Plan or the policies adopted pursuant to the Plan confer upon you any right with respect to employment or continuation of current employment, and in the event that you are not an employee of the Company or any subsidiary of the Company, the PSUs shall not be interpreted to form an employment contract or relationship with the Company or any Affiliate;

(h) the future value of the underlying Shares is unknown and cannot be predicted with certainty;

(i) the value of Shares acquired on vesting of PSUs may increase or decrease in value;

(j) no claim or entitlement to compensation or damages arises from termination of PSUs, and no claim or entitlement to compensation or damages shall arise from any diminution in value of the PSUs or Shares received upon vesting of the PSUs resulting from termination of your entitlement by the Company or any Affiliate (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release the Company and any Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Award Document, you shall be deemed irrevocably to have waived your entitlement to pursue such claim; and

(k) in the event of termination of your employment (whether or not in breach of local labor laws), other than a Termination of Service due to Retirement, your right to receive PSUs and vest under the Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to receive Shares pursuant to the PSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

10. **Language.** If you have received this or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

11. **No Guaranteed Employment.** Nothing contained in this Agreement shall affect the right of the Company or any of its Affiliates to terminate the Holder's employment at any time, with or without Cause, or shall be deemed to create any rights to employment or continued employment. The rights and obligations arising under this Agreement are not intended to and do not affect the Holder's employment relationship that otherwise exists between the Holder and the Company or any of its Affiliates, whether such employment relationship is at will or defined by an employment contract. Moreover, this Agreement is not intended to and does not amend any existing employment contract between the Holder and the Company or any of its Affiliates; to the extent there is a conflict between this Agreement and such an employment contract, the employment contract shall govern and take priority.

12. **Power of Attorney.** The Company (including its successors and assigns) is hereby appointed the attorney-in-fact, with full power of substitution, of the Holder for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which such

attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. The Company, as attorney-in-fact for the Holder, may in the name and stead of the Holder, make and execute all conveyances, assignments and transfers of the PSUs, Dividend Equivalents, other property issued in respect of such PSUs, Shares and any property provided for herein, and the Holder hereby ratifies and confirms that which the Company, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Holder shall, if so requested by the Company, execute and deliver to the Company all such instruments as may, in the judgment of the Company, be advisable for this purpose.

13. **WAIVER OF JURY TRIAL.** EACH PARTY TO THIS AGREEMENT, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.

14. **Interpretation.** All section titles and captions in this Agreement are for convenience only, shall not be deemed part of this Agreement, and in no way shall define, limit, extend or describe the scope or intent of any provisions of this Agreement.

15. **Mode of Communications.** The Holder agrees, to the fullest extent permitted by applicable law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or any of its Affiliates may deliver in connection with this grant of PSUs, including, without limitation, prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. The Holder further agrees that electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or the online brokerage account system.

16. **No Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

17. **Severability.** If any provision of this Agreement is declared or found to be illegal, unenforceable or void, in whole or in part, then the parties hereto shall be relieved of all obligations arising under such provision, but only to the extent that it is illegal, unenforceable or void, it being the intent and agreement of the parties hereto that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal and enforceable while preserving its intent or, if that is not possible, by substituting therefor another provision that is legal and enforceable and achieves the same objectives.

18. **Counterparts.** This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, regardless of the law that might be applied under principles of conflict of laws. Each party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts of New York located in the Borough of Manhattan in New York City in respect of the interpretation and enforcement of the provisions of this Agreement. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and

enforcement hereof, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such action, suit or proceeding and agrees that the mailing of process or other papers in connection with any such action, suit, or proceeding in the manner provided in Section 6 hereof or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

20. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal legal representatives, successors, trustees, administrators, distributees, devisees and legatees. The Company may assign to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or any Affiliate by which the Holder is employed, and require such successor to expressly assume and agree in writing to perform, this Agreement.

(b) The Holder agrees that the award of the PSUs hereunder is special incentive compensation and that it, any Dividend Equivalents or any other property issued in respect of such PSUs will not be taken into account as "salary" or "compensation" or "bonus" in determining the amount of any payment under any pension, retirement or profit-sharing plan of the Company or any life insurance, disability or other benefit plan of the Company, unless specifically provided in the applicable plan.

(c) No modification or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

21. **Section 409A and Section 457A.** To the extent the Committee determines that any payment under this Agreement is subject to Section 409A or Section 457A of the Code, the provisions of Section 13.10 of the Plan (including, without limitation, the six-month delay relating to "specified employees") shall apply.

<sup>(1)</sup> S&P Company 1 merges with or acquires S&P Company 2, where 1 is surviving entity = S&P Company 1 Stays, S&P Company 2 is removed. S&P Company merges with or acquires another S&P Company, where entirely new company is established = Committee's Discretion. S&P Company merges with or acquires a Non-S&P Company, where S&P Company is surviving entity = S&P Company Stays. S&P Company merges with or acquires a Non-S&P Company, where S&P Company is not surviving entity= Remove S&P Company. S&P Company declares Bankruptcy = S&P Company Stays with TSR of -100%. S&P Company spins out a portion of business, but Parent Company remains the same S&P Company= S&P Company Stays with Reinvested Dividend. S&P Company spins

out a portion of business, and spun out entity replaces S&P Company =S&P Company Removed. S&P Company's Ticker Changes = S&P Company Stays.

**ANNEX A**  
**TO PERFORMANCE SHARE UNIT GRANT NOTICE**  
**PERFORMANCE SHARE UNIT AGREEMENT**

Subject to the provisions of the Grant Notice and the Performance Share Unit Agreement, the number of Units covered by this Agreement that will vest on the Performance Vesting Date (the “Final Adjusted Units”) will be determined by a two-step calculation:

1. *Calculate the Core Metric Units Earned.* In Step 1, the Core Metric Units Earned will be determined by multiplying the Target Number of Units Granted by the Three-Year Cumulative Adjusted EPS Payout Percent as follows:

$$\text{Target Number of Units Granted} \times \text{Three-Year Cumulative Adjusted EPS Payout Percent} = \text{Core Metric Units Earned}$$

The performance payout range for the Core Metric is 0 percent to 167 percent of the Target Number of Units Granted. If the Core Metric is between “Minimum” and “Target” or “Target” and “Maximum” performance, the Core Metric payout will be determined using straight line interpolation based on the actual Core Metric achievement. If the Core Metric is not met at Minimum, no Shares will vest under this Award regardless of TSR Rank.

2. *Apply the TSR Modifier.* In Step 2, the number of Core Metric Units Earned will be modified upward or downward based upon the Company’s TSR Rank to determine the Final Adjusted Units.

If the Company’s TSR Rank is between the 35th and 50th percentiles or 50th and 75th percentiles, the TSR Modifier will be determined using straight line interpolation based on the Company’s actual TSR Rank.

For avoidance of doubt, the total number of Units granted as set forth on the first page of this Award Document reflects a total number in the event the Three-Year Cumulative Adjusted EPS is satisfied at “Target” performance level and the TSR Rank is at the 50th Percentile. The payout opportunity for the Award, combined in Steps 1 and 2, is 0 percent to 200 percent of Target.



**IHS MARKIT LTD.  
2014 EQUITY INCENTIVE AWARD PLAN  
IHS MARKIT LTD. PERFORMANCE SHARE UNIT GRANT NOTICE AND  
PERFORMANCE SHARE UNIT AGREEMENT**

IHS Markit Ltd., an exempted company incorporated under the laws of Bermuda (the "**Company**"), pursuant to its 2014 Equity Incentive Award Plan (the "**Plan**"), hereby grants to the individual listed below ("you" or the "**Holder**") an award of Performance Share Units ("**PSUs**") indicated below, which PSUs shall be subject to vesting based on your continued employment with the Company (or any Affiliate), as provided herein. This award of PSUs, together with any accumulated Dividend Equivalents as provided herein (the "**Award**"), is subject to all of the terms and conditions as set forth herein, and in the Performance Share Unit Agreement attached hereto as Exhibit A (the "**Agreement**") and the Plan, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Performance Share Unit Grant Notice (the "**Grant Notice**") and the Agreement.

Holder:

Employee ID:

Grant Date:

Number of PSUs granted at "Target"  
performance level:

Performance Measures: Three-Year Cumulative Adjusted EPS with a Total Shareholder Return ("TSR") modifier, as set forth in "Vesting and Payment" in the Agreement.

By your signature below, or by your submitting your electronic acceptance of the Award subject to this Grant Notice as designated by the Company, you agree to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. You agree to access copies of the Plan and the prospectus governing the Plan (collectively, the "**Plan Documents**") on the Company's intranet or on the website of the Company's designated brokerage firm. Paper copies are also available upon request to the Secretary of the Company at the Company's corporate offices. **YOU MUST ACCEPT THIS AWARD BY THE DATE DETERMINED AND COMMUNICATED TO YOU BY THE COMPANY OR THE AWARD WILL AUTOMATICALLY BE CANCELLED.**

You have reviewed this Grant Notice, the Agreement and the Plan Documents in their entirety, have had an opportunity to obtain the advice of counsel prior to executing this Grant Notice or accepting the Award subject hereto and fully understand all provisions of this Grant Notice, the Agreement and the Plan. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, this Grant Notice or the Agreement.

**HOLDER:**

By: \_\_\_\_\_

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## EXHIBIT A

### TO PERFORMANCE SHARE UNIT GRANT NOTICE PERFORMANCE SHARE UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to you the right to receive a number of PSUs set forth in the Grant Notice, together with any Dividend Equivalents pursuant to Section 2(f) below, subject to all of the terms and conditions set forth in this Agreement and the Grant Notice. The Award is also subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice, as applicable.

#### **Terms and Conditions**

1. **Grant of PSUs.** Effective as of the grant date set forth in the Grant Notice (the “**Grant Date**”), and subject to the terms and conditions set forth in the Plan and this Agreement, the Company has granted to you, pursuant to the Grant Notice and the Plan, the number of PSUs set forth in the Grant Notice and accumulated Dividend Equivalents pursuant to Section 2(f) below, subject to the restrictions, terms and conditions set forth in this Agreement and the Plan. Each PSU represents the right to receive one Share at the time provided for herein, together with any Dividend Equivalent issued in respect thereof. Your right to receive Shares and Dividend Equivalents under this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

2. **PSUs.**

(a) **Rights as a Shareholder.** You shall have no rights of a shareholder with respect to the Shares represented by PSUs, including, but not limited to, the right to vote and to receive dividends, unless and until such Shares are transferred to you pursuant to the Plan and this Agreement.

(b) **Vesting and Payment.** To the extent the performance objectives described in 2.(b)(i) below (collectively, the “Performance Objectives”) are satisfied as of the completion of the performance period for this Award (the “Performance Period”), this Award will become vested and free of restrictions in accordance with clause (ii) below, as of the date the Committee makes the certification referenced in clause (iii) below (the “Performance Vesting Date”), subject to the provision on Termination below. The Performance Period begins December 1, 2016 and ends November 30, 2019 and is also referred to as the “Fiscal Years 2017-2019 Performance Period.”

(i) Performance Objectives. The Committee has established “performance objectives” for this Award to be (A) cumulative Adjusted EPS (as defined below) during the Performance Period and also referred to as the “Core Metric,” or the “Three-Year Cumulative Adjusted EPS” of the Company during the Performance Period, and (B) the total shareholder return (“TSR”) of the Company compared to the companies that are included in the Standard & Poor’s 500 Index at the beginning of the TSR Rank Measurement Period (the “S&P 500 Index”) <sup>(1)</sup>. The numerical goals for the Core Metric and the TSR Modifier will be provided to you in a separate communication from the Company.

“**Adjusted EPS**” means Adjusted net income divided by diluted weighted average shares. Adjusted net income is defined as net income plus primarily non-cash items and other items that management does not consider to be useful in assessing our operating performance (e.g., share-based compensation expense, amortization related to acquired intangible assets, restructuring charges, acquisition-related costs, acquisition financing fees, net other gains and losses, pension mark-to-market and settlement expense, the impact of noncontrolling interests, and discontinued operations, all net of the related tax effects).

"**TSR Rank**" for the Performance Period means the aggregate TSR of IHS Markit common shares over the period beginning December 1, 2016 and ending on November 30, 2019 (the "**TSR Rank Measurement Period**"), compared to the TSR over the same period for the S&P 500 Index. TSR will be calculated using a beginning price equal to the average price of IHS Markit common shares and the S&P 500 Index over the 20 trading days preceding the start date of the Performance Period and an ending price equal to the average price over the 20 trading days preceding the end date of the Performance Period, and accounting for reinvestment of any dividends over this period. For purposes of this provision, TSR will be calculated using the average of the closing prices for the applicable periods.

"**Target Number of Units Granted**" means the number of PSUs granted at "Target" performance level as stated in the Grant Notice. The Target Number of Units Granted represents Shares that will be earned should the Three-Year Cumulative Adjusted EPS be met at a "Target" performance level and the Company's TSR Rank is at the 50<sup>th</sup> percentile and you remain employed through the vesting period.

In addition, anything herein to the contrary notwithstanding, in the event at any time on or prior to November 30, 2019 the Company adopts converged accounting standards as outlined in the FASB and IASB project calendar or changes its financial reporting from US GAAP to IFRS, Adjusted Revenue shall be calculated for purposes of determining whether the Performance Objective has been satisfied on the basis of US GAAP as in effect and applied immediately before such change to converged standards or to IFRS shall have become effective.

(ii) **Performance-Based Vesting.** Subject to the provision on Termination below and to clause (iii) below, the PSUs covered by this Award that will vest and become free of restrictions on the Performance Vesting Date will be calculated as set forth on Annex A attached hereto. The calculation provided on Annex A may allow for the partial or full vesting of this Award based upon the level of achievement of the Performance Objectives.

(iii) **Committee Certification.** Prior to the PSUs covered by this Award vesting and becoming free of restrictions, the Committee must certify in writing that the Performance Objectives were, in fact, satisfied, which certification will be made on such date specified by the Committee.

(iv) Subject to the terms of this Agreement and the Plan, the Shares and any accumulated Dividend Equivalents shall be delivered and paid to you as soon as practicable following the applicable Performance Vesting Date. In its sole discretion, the Company may elect to deliver the Shares to you by book-entry in the Company's books or by electronic delivery to a brokerage account established for your benefit at a financial/brokerage firm selected by the Company. You agree to complete and sign any documents and take any additional action that the financial/brokerage firm designated by the Company may request to enable the Company to deliver the Shares on your behalf. The date of settlement shall not be later than 2½ months after the later of (i) the end of the Company's fiscal year in which the applicable vesting date occurs or (ii) the end of the calendar year in which the applicable vesting date occurs.

(c) **Forfeiture.** Upon your Termination of Employment for any reason, other than your death, Disability or Retirement, any and all unvested PSUs underlying this Award, together with any and all unvested accumulated Dividend Equivalents, shall automatically be cancelled for no consideration, and shall cease to be outstanding.

In the event of your Termination of Employment prior to the Performance Vesting Date due to your death or Disability, the unvested PSUs shall vest and be free of restrictions on the date of Termination of Service due to death or Disability to such extent as if all Performance Objectives had been fully satisfied at "Target" performance level.

In the event of your Termination of Employment due to Retirement (as defined below), the unvested PSUs underlying the Award shall continue to vest and be settled in accordance with the original vesting schedule as set forth in the Grant Notice, based on the actual performance results at the end of the Performance Period, as if you had remained an Employee during the full vesting period; *provided, however*, that (i) during your employment with the Company or any Affiliate or any time thereafter during the full vesting period, you have not and do not engage in any activity in competition with the Company or any Affiliate or which is inimical, contrary or harmful to the interests of the Company or any Affiliate (to the fullest extent not prohibited by applicable law), as determined by the Committee, and you certify as to such non-engagement upon the request of the Company; and (ii) you execute and do not revoke a release of claims in favor of the Company and its Affiliates, in a form satisfactory to the Company which must be executed by you and delivered to the Company by no later than the 52<sup>nd</sup> day following the date of your Retirement. For the avoidance of doubt, the unvested PSUs underlying the Award will be cancelled for no consideration and cease to be outstanding if you engage in any of the prohibited conduct as described in this subsection 2(c)(ii).

"Retirement" means your voluntary Termination of Employment with the Company or any Affiliate on or after the date on which you have at least sixty (60) years of age (not rounded up) and you have completed at least ten (10) whole years of service with the Company or any Affiliate (not rounded up). You will not be treated as having incurred a Termination of Employment due to Retirement if the Company or any Affiliate had Cause to terminate your employment at the time of your Termination of Service.

(a) **Restriction on Transfer of PSUs.** No PSUs shall be transferable by you other than by will or by the laws of descent and distribution. Any attempt to transfer the PSUs other than in accordance with the expressed terms of the Plan shall be void.

(b) **Certain Legal Restrictions.** The Plan, this Agreement, the granting, vesting and settlement of the PSUs and any Dividend Equivalents, and any obligations of the Company under the Plan and this Agreement, shall be subject to all applicable federal, foreign, provincial, state and local laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required, and to any rules or regulations of any exchange on which the Shares are listed.

(c) **Dividend Equivalents.** During the period from the Grant Date through the date on which Shares underlying vested PSUs are issued to you pursuant to Section 2(b), in the case of Share dividends, the number of PSUs subject to this award shall be increased or decreased by the number of Shares you would have received on the date of payment of the dividend with respect to the number of Shares underlying the unvested PSUs under this award on such date at the applicable performance level. For the avoidance of doubt, the additional PSUs shall be subject to the same vesting requirements and restrictions as the unvested PSUs. In the case of cash dividends, you will be credited with cash dividends, without earnings, payable on the number of Shares that vest pursuant to Section 2(b) above. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the PSUs originally awarded pursuant to the Grant Notice and this Agreement, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original PSU award.

(d) **Corporate Events.** Except as otherwise provided in the Grant Notice or this Agreement, the provisions of Section 13.2 of the Plan shall apply to the PSUs and any Dividend Equivalents.

3. **Withholding of Taxes.** You acknowledge that you are required to make acceptable arrangements to pay any withholding taxes that may be due as a result of receipt of this Award or the vesting (including continued vesting) and payout of the PSUs that you receive under this Award, and no Shares will be released to you until you have made such arrangements. These arrangements may include any one or a combination of the following, as determined by the Company or the Committee: (a) the Company's repurchase of Shares to be issued upon settlement of the PSUs (b) the sale of Shares acquired upon settlement of the PSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); (c) direct payment by you to the Company; (d) payroll withholding from your wages or other cash compensation paid to you by the Company; or (e) any other method as the Company or Committee may elect in compliance with the Plan, the Code and applicable law. The FMV of the Shares that are repurchased, if applicable, will be determined as of the date when the taxes otherwise would have been withheld in cash, and will be applied as a credit against the taxes.

Depending on the withholding method, the Company may withhold or account for withholding taxes by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the common share equivalent. If the obligation for taxes is satisfied by the repurchase of Shares, you are deemed to have been issued the full number of Shares subject to the vested RSU, notwithstanding that a number of the Shares are repurchased solely for the purpose of paying the taxes.

You acknowledge that the ultimate liability for all tax obligations legally due by you is and remains your responsibility.

If you are subject to tax liabilities in more than one jurisdiction between the grant date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that the Company may be required to withhold or account for tax liability in more than one jurisdiction.

4. **Provisions of Plan Control.** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan as may be adopted by the Committee and as may be in effect from time to time. The Plan is incorporated herein by reference. If and to the extent that any provision of this Agreement conflicts or is inconsistent with the terms set forth in the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly.

5. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior agreements between the Company and the Holder with respect to the subject matter hereof.

6. **Notices.** Any notice or communication given hereunder shall be in writing or by electronic means as set forth in Section 11 below and, if in writing, shall be deemed to have been duly given: (i) when delivered in person; (ii) two (2) days after being sent by United States mail; or (iii) on the first business day following the date of deposit if delivered by a nationally recognized overnight delivery service, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify):

If to the Company, to:

Corporate Human Resources  
IHS Markit  
15 Inverness Way East  
Englewood, Colorado 80112  
Telephone No.  
E-mail:

If to the Holder, to the address on file with the Company.

7. **No Guarantee of Continued Employment.** YOU ACKNOWLEDGE AND AGREE THAT THIS AWARD DOCUMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE "VESTING SCHEDULE" SET FORTH IN THIS AWARD DOCUMENT DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED EMPLOYMENT FOR THE VESTING PERIOD, FOR ANY PERIOD OR AT ALL AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE COMPANY'S OR ANY AFFILIATE'S RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME OR FOR ANY REASON NOT PROHIBITED BY LAW, AND WILL NOT CONFER UPON YOU ANY RIGHT TO CONTINUE YOUR EMPLOYMENT FOR ANY SPECIFIED PERIOD OF TIME.

8. **Data Protection.** By participating in the Plan and entering into this Agreement, you hereby consent to the holding and processing of personal information provided by you to the Company, any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include, but are not limited to: (i) administering and maintaining your records; (ii) providing information to the Company, Affiliates, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan; (iii) providing information to future purchasers or merger partners of the Company or any Affiliate, or the business in which the Holder works; and (iv) transferring information about the Holder to any country or territory that may not provide the same protection for the information as the Holder's home country. Personal information may include, but shall not be limited to:

- Personal data: Name, address, telephone number, fax number, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport or visa information, age, language skills, driver's license information, birth certificate and employee number.
- Employment information: Curriculum vitae or resume, wage history, employment references, job title, employment or severance agreement, plan or benefit enrollment forms and elections and equity compensation or benefit statements.
- Financial information: Current wage and benefit information, personal bank account number, brokerage account information, tax related information and tax identification number.

The Company may, from time to time, process and transfer this or other information for internal compensation and benefit planning (specifically, for enrollment purposes in the Plan and the administration of the Plan), to determine training needs, to develop a global human resource database and to evaluate skill utilization.

9. **Acquired Rights.** In accepting the Award, you acknowledge that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan;
- (b) the award of PSUs is voluntary and occasional and does not create any contractual or other right to receive future awards of PSUs, or benefits in lieu of PSUs even if PSUs have been awarded repeatedly in the past;

- (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;
- (d) your participation in the Plan is voluntary;
- (e) the PSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or to your actual employer, and PSUs are outside the scope of your employment contract, if any;
- (f) the PSUs are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;
- (g) neither the PSUs nor any provision of this Award Document, the Plan or the policies adopted pursuant to the Plan confer upon you any right with respect to employment or continuation of current employment, and in the event that you are not an employee of the Company or any subsidiary of the Company, the PSUs shall not be interpreted to form an employment contract or relationship with the Company or any Affiliate;
- (h) the future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (i) the value of Shares acquired on vesting of PSUs may increase or decrease in value;
- (j) no claim or entitlement to compensation or damages arises from termination of PSUs, and no claim or entitlement to compensation or damages shall arise from any diminution in value of the PSUs or Shares received upon vesting of the PSUs resulting from termination of your entitlement by the Company or any Affiliate (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release the Company and any Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Award Document, you shall be deemed irrevocably to have waived your entitlement to pursue such claim; and
- (k) in the event of termination of your employment (whether or not in breach of local labor laws), other than a Termination of Service due to Retirement, your right to receive PSUs and vest under the Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to receive Shares pursuant to the PSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

10. **Language.** If you have received this or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

11. **No Guaranteed Employment.** Nothing contained in this Agreement shall affect the right of the Company or any of its Affiliates to terminate the Holder's employment at any time, with or without Cause, or shall be deemed to create any rights to employment or continued employment. The

rights and obligations arising under this Agreement are not intended to and do not affect the Holder's employment relationship that otherwise exists between the Holder and the Company or any of its Affiliates, whether such employment relationship is at will or defined by an employment contract. Moreover, this Agreement is not intended to and does not amend any existing employment contract between the Holder and the Company or any of its Affiliates; to the extent there is a conflict between this Agreement and such an employment contract, the employment contract shall govern and take priority.

12. **Power of Attorney.** The Company (including its successors and assigns) is hereby appointed the attorney-in-fact, with full power of substitution, of the Holder for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which such attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. The Company, as attorney-in-fact for the Holder, may in the name and stead of the Holder, make and execute all conveyances, assignments and transfers of the PSUs, Dividend Equivalents, other property issued in respect of such PSUs, Shares and any property provided for herein, and the Holder hereby ratifies and confirms that which the Company, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Holder shall, if so requested by the Company, execute and deliver to the Company all such instruments as may, in the judgment of the Company, be advisable for this purpose.

13. **WAIVER OF JURY TRIAL.** EACH PARTY TO THIS AGREEMENT, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.

14. **Interpretation.** All section titles and captions in this Agreement are for convenience only, shall not be deemed part of this Agreement, and in no way shall define, limit, extend or describe the scope or intent of any provisions of this Agreement.

15. **Mode of Communications.** The Holder agrees, to the fullest extent permitted by applicable law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or any of its Affiliates may deliver in connection with this grant of PSUs, including, without limitation, prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. The Holder further agrees that electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or the online brokerage account system.

16. **No Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

17. **Severability.** If any provision of this Agreement is declared or found to be illegal, unenforceable or void, in whole or in part, then the parties hereto shall be relieved of all obligations arising under such provision, but only to the extent that it is illegal, unenforceable or void, it being the intent and agreement of the parties hereto that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal and enforceable while preserving its intent or, if that is not possible, by substituting therefor another provision that is legal and enforceable and achieves the same objectives.



18. **Counterparts.** This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, regardless of the law that might be applied under principles of conflict of laws. Each party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts of New York located in the Borough of Manhattan in New York City in respect of the interpretation and enforcement of the provisions of this Agreement. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such action, suit or proceeding and agrees that the mailing of process or other papers in connection with any such action, suit, or proceeding in the manner provided in Section 6 hereof or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

20. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal legal representatives, successors, trustees, administrators, distributees, devisees and legatees. The Company may assign to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or any Affiliate by which the Holder is employed, and require such successor to expressly assume and agree in writing to perform, this Agreement.

(b) The Holder agrees that the award of the PSUs hereunder is special incentive compensation and that it, any Dividend Equivalents or any other property issued in respect of such PSUs will not be taken into account as "salary" or "compensation" or "bonus" in determining the amount of any payment under any pension, retirement or profit-sharing plan of the Company or any life insurance, disability or other benefit plan of the Company, unless specifically provided in the applicable plan.

(c) No modification or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

21. **Section 409A and Section 457A.** To the extent the Committee determines that any payment under this Agreement is subject to Section 409A or Section 457A of the Code, the provisions of Section 13.10 of the Plan (including, without limitation, the six-month delay relating to "specified employees") shall apply.

<sup>(1)</sup> S&P Company 1 merges with or acquires S&P Company 2, where 1 is surviving entity = S&P Company 1 Stays, S&P Company 2 is removed. S&P Company merges with or acquires another S&P Company, where entirely new company is established = Committee's Discretion. S&P Company merges with or acquires a Non-S&P Company, where S&P Company is surviving entity = S&P Company Stays. S&P Company merges with or acquires a Non-S&P Company, where S&P Company is not surviving entity= Remove S&P Company. S&P Company declares Bankruptcy = S&P Company Stays with TSR of -100%. S&P Company spins out a portion of business, but Parent Company remains the same S&P Company= S&P Company Stays with Reinvested Dividend. S&P Company spins out a portion of business, and spun out entity replaces S&P Company =S&P Company Removed. S&P Company's Ticker Changes = S&P Company Stays.

**ANNEX A**  
**TO PERFORMANCE SHARE UNIT GRANT NOTICE**  
**PERFORMANCE SHARE UNIT AGREEMENT**

Subject to the provisions of the Grant Notice and the Performance Share Unit Agreement, the number of Units covered by this Agreement that will vest on the Performance Vesting Date (the “Final Adjusted Units”) will be determined by a two-step calculation:

1. *Calculate the Core Metric Units Earned.* In Step 1, the Core Metric Units Earned will be determined by multiplying the Target Number of Units Granted by the Three-Year Cumulative Adjusted EPS Payout Percent as follows:

$$\text{Target Number of Units Granted} \times \text{Three-Year Cumulative Adjusted EPS Payout Percent} = \text{Core Metric Units Earned}$$

The performance payout range for the Core Metric is 0 percent to 167 percent of the Target Number of Units Granted. If the Core Metric is between “Minimum” and “Target” or “Target” and “Maximum” performance, the Core Metric payout will be determined using straight line interpolation based on the actual Core Metric achievement. If the Core Metric is not met at Minimum, no Shares will vest under this Award regardless of TSR Rank.

2. *Apply the TSR Modifier.* In Step 2, the number of Core Metric Units Earned will be modified upward or downward based upon the Company’s TSR Rank to determine the Final Adjusted Units.

If the Company’s TSR Rank is between the 35th and 50th percentiles or 50th and 75th percentiles, the TSR Modifier will be determined using straight line interpolation based on the Company’s actual TSR Rank.

For avoidance of doubt, the total number of Units granted as set forth on the first page of this Award Document reflects a total number in the event the Three-Year Cumulative Adjusted EPS is satisfied at “Target” performance level and the TSR Rank is at the 50th Percentile. The payout opportunity for the Award, combined in Steps 1 and 2, is 0 percent to 200 percent of Target.

**IHS MARKIT LTD.  
2014 EQUITY INCENTIVE AWARD PLAN  
IHS MARKIT LTD. RESTRICTED SHARE UNIT GRANT NOTICE AND  
RESTRICTED SHARE UNIT AGREEMENT**

IHS Markit Ltd., an exempted company incorporated under the laws of Bermuda (the "**Company**"), pursuant to its 2014 Equity Incentive Award Plan (the "**Plan**"), hereby grants to the individual listed below ("you" or the "**Holder**") an award of Restricted Share Units ("**RSUs**") indicated below, which RSUs shall be subject to vesting based on the your continued employment with the Company (or any Affiliate), as provided herein. This award of RSUs, together with any accumulated Dividend Equivalents as provided herein (the "**Award**"), is subject to all of the terms and conditions as set forth herein, and in the Restricted Share Unit Agreement attached hereto as Exhibit A (the "**Agreement**") and the Plan, each of which is incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Restricted Share Unit Grant Notice (the "**Grant Notice**") and the Agreement.

Holder:

Employee ID:

Grant Date:

Number of RSUs:

Vesting Schedule:

By your signature below, or by your submitting your electronic acceptance of the Award subject to this Grant Notice as designated by the Company, you agree to be bound by the terms and conditions of the Plan, the Agreement and this Grant Notice. You agree to access copies of the Plan and the prospectus governing the Plan (collectively, the "**Plan Documents**") on the Company's intranet or on the website of the Company's designated brokerage firm. Paper copies are also available upon request to the Secretary of the Company at the Company's corporate offices. **YOU MUST ACCEPT THIS AWARD BY THE DATE DETERMINED AND COMMUNICATED TO YOU BY THE COMPANY OR THE AWARD WILL AUTOMATICALLY BE CANCELLED.**

You have reviewed this Grant Notice, the Agreement and the Plan Documents in their entirety, have had an opportunity to obtain the advice of counsel prior to executing this Grant Notice or accepting the Award subject hereto and fully understand all provisions of this Grant Notice, the Agreement and the Plan. You agree to accept as binding, conclusive and final all decisions or interpretations of the Committee with respect to the Plan, this Grant Notice or the Agreement.

**IN WITNESS WHEREOF**, the undersigned has executed this Grant Notice effective as of the Grant Date.

**HOLDER:**

By: \_\_\_\_\_

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## EXHIBIT A

### TO RESTRICTED SHARE UNIT GRANT NOTICE

#### RESTRICTED SHARE UNIT AGREEMENT

Pursuant to the Grant Notice to which this Agreement is attached, the Company has granted to you the right to receive a number of RSUs set forth in the Grant Notice, together with any Dividend Equivalents pursuant to Section 2(f) below, subject to all of the terms and conditions set forth in this Agreement and the Grant Notice. The Award is also subject to the terms and conditions of the Plan which are incorporated herein by reference. In the event of any inconsistency between the Plan and this Agreement, the terms of the Plan shall control. Capitalized terms not specifically defined herein shall have the meanings specified in the Plan and the Grant Notice, as applicable.

#### Terms and Conditions

1. **Grant of RSUs.** Effective as of the grant date set forth in the Grant Notice (the "**Grant Date**"), and subject to the terms and conditions set forth in the Plan and this Agreement, the Company has granted to you, pursuant to the Grant Notice and the Plan, the number of RSUs set forth in the Grant Notice and accumulated Dividend Equivalents pursuant to Section 2(f) below, subject to the restrictions, terms and conditions set forth in this Agreement and the Plan. Each RSU represents the right to receive one Share at the time provided for herein, together with any Dividend Equivalent issued in respect thereof. Your right to receive Shares and Dividend Equivalents under this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

2. **RSUs.**

(a) **Rights as a Shareholder.** You shall have no rights of a shareholder with respect to the Shares represented by RSUs, including, but not limited to, the right to vote and to receive dividends, unless and until such Shares are transferred to you pursuant to the Plan and this Agreement.

(b) **Vesting and Payment.** Subject to Section 2(c) below and the other terms and conditions of this Agreement, the RSUs and any accumulated Dividend Equivalents, as provided under Section 2(f) below, shall become vested in accordance with the vesting schedule set forth in the Grant Notice (but will remain subject to the terms of this Agreement and the Plan), provided that you have not experienced a termination of employment prior to the applicable vesting date. There shall be no proportionate or partial vesting in the periods prior to each vesting date and all vesting shall occur only on the applicable vesting date. Subject to the terms of this Agreement and the Plan, the Shares and any accumulated Dividend Equivalents shall be delivered and paid to you as soon as practicable following the applicable vesting date. In its sole discretion, the Company may elect to deliver the Shares to you by book-entry in the Company's books or by electronic delivery to a brokerage account established for your benefit at a financial/brokerage firm selected by the Company. You agree to complete and sign any documents and take any additional action that the financial/brokerage firm designated by the Company may request to enable the Company to deliver the Shares on your behalf. The date of settlement shall not be later than 2½ months after the later of (i) the end of the Company's fiscal year in which the applicable vesting date occurs or (ii) the end of the calendar year in which the applicable vesting date occurs.

(c) **Termination and Retirement.** Upon your Termination of Employment for any reason, other than your death, Disability or Retirement, any and all unvested RSUs underlying this Award, together with any and all unvested accumulated Dividend Equivalents, shall automatically be cancelled for no consideration, and shall cease to be outstanding. For avoidance of doubt, should you

cease to be an Employee but otherwise continue in service as a contractor or consultant, you will forfeit any and all unvested RSUs unless otherwise approved by the Committee.

In the event of your Termination of Employment due to Retirement (as defined below), the unvested RSUs underlying the Award shall continue to vest and be settled in accordance with the original vesting schedule as set forth in the Grant Notice as if you had remained an Employee during the full vesting period; *provided, however*, that (i) during your employment with the Company or any Affiliate or any time thereafter during the full vesting period, you have not and do not engage in any activity in competition with the Company or any Affiliate or which is inimical, contrary or harmful to the interests of the Company or any Affiliate (to the fullest extent not prohibited by applicable law), as determined by the Committee, and you certify as to such non-engagement upon the request of the Company; and (ii) upon the request of the Company, you execute and do not revoke a release of claims in favor of the Company and its Affiliates, in a form satisfactory to the Company which must be executed by you and delivered to the Company by no later than the 52nd day following the date of your Retirement. For the avoidance of doubt, the unvested RSUs underlying the Award will be cancelled for no consideration and cease to be outstanding if you engage in any of the prohibited conduct as described in this subsection 2(c)(ii).

"Retirement" means your voluntary Termination of Employment with the Company or any Affiliate on or after the date on which you have at least sixty (60) years of age (not rounded up) and you have completed at least ten (10) whole years of service with the Company or any Affiliate (not rounded up). You will not be treated as having incurred a Termination of Service due to Retirement if the Company or any Affiliate had Cause to terminate your employment at the time of your Termination of Employment.

(d) **Restriction on Transfer of RSUs.** No RSUs shall be transferable by you other than by will or by the laws of descent and distribution. Any attempt to transfer the RSUs other than in accordance with the expressed terms of the Plan shall be void.

(e) **Certain Legal Restrictions.** The Plan, this Agreement, the granting, vesting and settlement of the RSUs and any Dividend Equivalents, and any obligations of the Company under the Plan and this Agreement, shall be subject to all applicable federal, foreign, provincial, state and local laws, rules and regulations, and to such approvals by any regulatory or governmental agency as may be required, and to any rules or regulations of any exchange on which the Shares are listed.

(f) **Dividend Equivalents.** During the period from the Grant Date through the date on which Shares underlying vested RSUs are issued to you pursuant to Section 2(b), the Company shall credit the Holder with Dividend Equivalents equal to the dividends the Holder would have received if the Holder had been the actual record owner of the underlying Shares on each dividend record date. If a dividend on the Shares is payable wholly or partially in Shares, the Dividend Equivalent representing that portion shall be in the form of additional RSUs, credited on a one-for-one basis. If a dividend on the Shares is payable wholly or partially in cash, the Dividend Equivalent representing that portion shall also be in the form of cash, and the Holder shall be treated as being credited with any cash dividends, without earnings, until settlement pursuant to Section 2(b) above. If a dividend on Shares is payable wholly or partially in a form other than cash or Shares, the Committee may, in its discretion, provide for such Dividend Equivalents with respect to that portion as it deems appropriate under the circumstances. Dividend Equivalents shall be subject to the same terms and conditions as the RSUs originally awarded pursuant to the Grant Notice and this Agreement, and they shall vest (or, if applicable, be forfeited) as if they had been granted at the same time as the original RSU award.

(g) **Corporate Events.** Except as otherwise provided in the Grant Notice or this Agreement, the provisions of Section 13.2 of the Plan shall apply to the RSUs and any Dividend Equivalents.

3. **Withholding of Taxes.** You acknowledge that you are required to make acceptable arrangements to pay any withholding taxes that may be due as a result of receipt of this Award or the vesting (including continued vesting) and payout of the RSUs that you receive under this Award, and no Shares will be released to you until you have made such arrangements. These arrangements may include any one or a combination of the following, as determined by the Company or the Committee: (a) the Company's repurchase of Shares to be issued upon settlement of the RSUs (b) the sale of Shares acquired upon settlement of the RSUs either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent); (c) direct payment by you to the Company; (d) payroll withholding from your wages or other cash compensation paid to you by the Company; or (e) any other method as the Company or Committee may elect in compliance with the Plan, the Code and applicable law. The FMV of the Shares that are repurchased, if applicable, will be determined as of the date when the taxes otherwise would have been withheld in cash, and will be applied as a credit against the taxes.

Depending on the withholding method, the Company may withhold or account for withholding taxes by considering applicable minimum statutory withholding rates or other applicable withholding rates, including maximum applicable rates, in which case you will receive a refund of any over-withheld amount in cash and will have no entitlement to the common share equivalent. If the obligation for taxes is satisfied by the repurchase of Shares, you are deemed to have been issued the full number of Shares subject to the vested RSU, notwithstanding that a number of the Shares are repurchased solely for the purpose of paying the taxes.

You acknowledge that the ultimate liability for all tax obligations legally due by you is and remains your responsibility.

If you are subject to tax liabilities in more than one jurisdiction between the grant date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that the Company may be required to withhold or account for tax liability in more than one jurisdiction.

4. **Provisions of Plan Control.** This Agreement is subject to all the terms, conditions and provisions of the Plan, including, without limitation, the amendment provisions thereof, and to such rules, regulations and interpretations relating to the Plan as may be adopted by the Committee and as may be in effect from time to time. The Plan is incorporated herein by reference. If and to the extent that any provision of this Agreement conflicts or is inconsistent with the terms set forth in the Plan, the Plan shall control, and this Agreement shall be deemed to be modified accordingly.

5. **Entire Agreement.** This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes any prior agreements between the Company and the Holder with respect to the subject matter hereof.

6. **Notices.** Any notice or communication given hereunder shall be in writing or by electronic means as set forth in Section 11 below and, if in writing, shall be deemed to have been duly given: (a) when delivered in person; (b) two (2) days after being sent by United States mail; or (c) on the first business day following the date of deposit if delivered by a nationally recognized overnight delivery service, to the appropriate party at the address set forth below (or such other address as the party shall from time to time specify):

If to the Company, to:

Corporate Human Resources  
IHS Markit  
15 Inverness Way East  
Englewood, Colorado 80112  
Telephone No.  
E-mail:

If to the Holder, to the address on file with the Company.

7. **No Guarantee of Continued Employment.** YOU ACKNOWLEDGE AND AGREE THAT THIS AWARD DOCUMENT, THE TRANSACTIONS CONTEMPLATED HEREUNDER AND THE "VESTING SCHEDULE" SET FORTH IN THIS AWARD DOCUMENT DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED EMPLOYMENT FOR THE VESTING PERIOD, FOR ANY PERIOD OR AT ALL AND WILL NOT INTERFERE IN ANY WAY WITH YOUR RIGHT OR THE COMPANY'S OR ANY AFFILIATE'S RIGHT TO TERMINATE YOUR EMPLOYMENT AT ANY TIME OR FOR ANY REASON NOT PROHIBITED BY LAW, AND WILL NOT CONFER UPON YOU ANY RIGHT TO CONTINUE YOUR EMPLOYMENT FOR ANY SPECIFIED PERIOD OF TIME.

8. **Data Protection.** By participating in the Plan and entering into this Agreement, you hereby consent to the holding and processing of personal information provided by you to the Company, any Affiliate, trustee or third party service provider, for all purposes relating to the operation of the Plan. These include, but are not limited to: (a) administering and maintaining your records; (b) providing information to the Company, Affiliates, trustees of any employee benefit trust, registrars, brokers or third party administrators of the Plan; (c) providing information to future purchasers or merger partners of the Company or any Affiliate, or the business in which the Holder works; and (iv) transferring information about the Holder to any country or territory that may not provide the same protection for the information as the Holder's home country. Personal information may include, but shall not be limited to:

- Personal data: Name, address, telephone number, fax number, email address, family size, marital status, sex, beneficiary information, emergency contacts, passport or visa information, age, language skills, driver's license information, birth certificate and employee number.
- Employment information: Curriculum vitae or resume, wage history, employment references, job title, employment or severance agreement, plan or benefit enrollment forms and elections and equity compensation or benefit statements.
- Financial information: Current wage and benefit information, personal bank account number, brokerage account information, tax related information and tax identification number.

The Company may, from time to time, process and transfer this or other information for internal compensation and benefit planning (specifically, for enrollment purposes in the Plan and the administration of the Plan), to determine training needs, to develop a global human resource database and to evaluate skill utilization.

9. **Acquired Rights.** In accepting the Award, you acknowledge that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time, as provided in the Plan;

(b) the award of RSUs is voluntary and occasional and does not create any contractual or other right to receive future awards of RSUs, or benefits in lieu of RSUs even if RSUs have been awarded repeatedly in the past;



- (c) all decisions with respect to future awards, if any, will be at the sole discretion of the Company;
- (d) your participation in the Plan is voluntary;
- (e) the RSUs are an extraordinary item that does not constitute compensation of any kind for services of any kind rendered to the Company or to your actual employer, and RSUs are outside the scope of your employment contract, if any;
- (f) the RSUs are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculation of any severance, resignation, termination, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments;
- (g) neither the RSUs nor any provision of this Award Document, the Plan or the policies adopted pursuant to the Plan confer upon you any right with respect to employment or continuation of current employment, and in the event that you are not an employee of the Company or any subsidiary of the Company, the RSUs shall not be interpreted to form an employment contract or relationship with the Company or any Affiliate;
- (h) the future value of the underlying Shares is unknown and cannot be predicted with certainty;
- (i) the value of Shares acquired on vesting of RSUs may increase or decrease in value;
- (j) no claim or entitlement to compensation or damages arises from termination of RSUs, and no claim or entitlement to compensation or damages shall arise from any diminution in value of the RSUs or Shares received upon vesting of the RSUs resulting from termination of your entitlement by the Company or any Affiliate (for any reason whatsoever and whether or not in breach of local labor laws) and you irrevocably release the Company and any Affiliate from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, then, by signing this Award Document, you shall be deemed irrevocably to have waived your entitlement to pursue such claim; and
- (k) in the event of termination of your employment (whether or not in breach of local labor laws), your right to receive RSUs and vest under the Plan, if any, will terminate effective as of the date that you are no longer actively employed and will not be extended by any notice period mandated under local law (e.g., active employment would not include a period of "garden leave" or similar period pursuant to local law); furthermore, in the event of involuntary termination of employment (whether or not in breach of local labor laws), your right to receive Shares pursuant to the RSUs after termination of employment, if any, will be measured by the date of termination of your active employment and will not be extended by any notice period mandated under local law.

10. **Language.** If you have received this or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

11. **No Guaranteed Employment.** Nothing contained in this Agreement shall affect the right of the Company or any of its Affiliates to terminate the Holder's employment at any time, with or without Cause, or shall be deemed to create any rights to employment or continued employment. The rights and obligations arising under this Agreement are not intended to and do not affect the Holder's employment relationship that otherwise exists between the Holder and the Company or any of its Affiliates, whether such employment relationship is at will or defined by an employment contract. Moreover, this Agreement is not intended to and does not amend any existing employment contract

between the Holder and the Company or any of its Affiliates; to the extent there is a conflict between this Agreement and such an employment contract, the employment contract shall govern and take priority.

12. **Power of Attorney.** The Company (including its successors and assigns) is hereby appointed the attorney-in-fact, with full power of substitution, of the Holder for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which such attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. The Company, as attorney-in-fact for the Holder, may in the name and stead of the Holder, make and execute all conveyances, assignments and transfers of the RSUs, Dividend Equivalents, other property issued in respect of such RSUs, Shares and any property provided for herein, and the Holder hereby ratifies and confirms that which the Company, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Holder shall, if so requested by the Company, execute and deliver to the Company all such instruments as may, in the judgment of the Company, be advisable for this purpose.

13. **WAIVER OF JURY TRIAL. EACH PARTY TO THIS AGREEMENT, FOR ITSELF AND ITS AFFILIATES, HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THE ACTIONS OF THE PARTIES HERETO OR THEIR RESPECTIVE AFFILIATES PURSUANT TO THIS AGREEMENT OR IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT OF THIS AGREEMENT.**

14. **Interpretation.** All section titles and captions in this Agreement are for convenience only, shall not be deemed part of this Agreement, and in no way shall define, limit, extend or describe the scope or intent of any provisions of this Agreement.

15. **Mode of Communications.** The Holder agrees, to the fullest extent permitted by applicable law, in lieu of receiving documents in paper format, to accept electronic delivery of any documents that the Company or any of its Affiliates may deliver in connection with this grant of RSUs, including, without limitation, prospectuses, grant notifications, account statements, annual or quarterly reports, and other communications. The Holder further agrees that electronic delivery of a document may be made via the Company's email system or by reference to a location on the Company's intranet or website or the online brokerage account system.

16. **No Waiver.** No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement or to exercise any right or remedy consequent upon a breach thereof shall constitute waiver of any such breach or any other covenant, duty, agreement or condition.

17. **Severability.** If any provision of this Agreement is declared or found to be illegal, unenforceable or void, in whole or in part, then the parties hereto shall be relieved of all obligations arising under such provision, but only to the extent that it is illegal, unenforceable or void, it being the intent and agreement of the parties hereto that this Agreement shall be deemed amended by modifying such provision to the extent necessary to make it legal and enforceable while preserving its intent or, if that is not possible, by substituting therefor another provision that is legal and enforceable and achieves the same objectives.

18. **Counterparts.** This Agreement may be executed in counterparts, all of which together shall constitute one agreement binding on all the parties hereto, notwithstanding that all such parties are not signatories to the original or the same counterpart.

19. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of New York, regardless of the law that might be applied under principles of conflict of laws. Each party hereby irrevocably submits to the exclusive jurisdiction of the federal and state courts of New York located in the Borough of Manhattan in New York City in respect of the interpretation and enforcement of the provisions of this Agreement. Each party hereby waives and agrees not to assert, as a defense in any action, suit or proceeding for the interpretation and enforcement hereof, that such action, suit or proceeding may not be brought or is not maintainable in such courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts. Each party hereby consents to and grants any such court jurisdiction over the person of such parties and over the subject matter of any such action, suit or proceeding and agrees that the mailing of process or other papers in connection with any such action, suit, or proceeding in the manner provided in Section 6 hereof or in such other manner as may be permitted by law shall be valid and sufficient service thereof.

20. **Miscellaneous.**

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, personal legal representatives, successors, trustees, administrators, distributees, devisees and legatees. The Company may assign to any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company or any Affiliate by which the Holder is employed, and require such successor to expressly assume and agree in writing to perform, this Agreement.

(b) The Holder agrees that the award of the RSUs hereunder is special incentive compensation and that it, any Dividend Equivalents or any other property issued in respect of such RSUs will not be taken into account as "salary" or "compensation" or "bonus" in determining the amount of any payment under any pension, retirement or profit-sharing plan of the Company or any life insurance, disability or other benefit plan of the Company, unless specifically provided in the applicable plan.

(c) No modification or waiver of any of the provisions of this Agreement shall be effective unless in writing and signed by the party against whom it is sought to be enforced.

21. **Section 409A and Section 457A.** To the extent the Committee determines that any payment under this Agreement is subject to Section 409A or Section 457A of the Code, the provisions of Section 13.10 of the Plan (including, without limitation, the six-month delay relating to "specified employees") shall apply.

**FOURTH AMENDMENT TO THE IHS MARKIT LTD. 2014 LONG-TERM INCENTIVE PLAN**

Amendment dated as of January 24, 2017 (this "Amendment") to the IHS Markit 2014 Equity Incentive Award Plan, as amended (the "2014 Equity Plan").

**WITNESSETH**

**WHEREAS**, IHS Markit Ltd. (the "Company") desires to amend the 2014 Equity Plan in certain respects; and

**WHEREAS**, Section 13.1 of the 2014 Equity Plan provides that the Human Resources Committee of the Company may amend the 2014 Equity Plan, as evidenced by a written instrument signed by an authorized officer of the Company.

**NOW, THEREFORE**, the 2014 Equity Plan is hereby amended as follows:

**1. AMENDMENT**

A new Section 13.17, is hereby added to the 2014 Equity Plan as follows:

**"13.17 Release.**

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For the avoidance of doubt, if any Award vests or matures in connection with a Termination of Employment, including, without limitation, pursuant to Section 13.16, such vesting or maturity shall not be effected until after the Holder executes a release of claims in favor of the Company and its Affiliates in a form provided by the Company and any applicable revocation period expires; provided that such vesting or maturity date occurs within 60 days of the date of such Termination of Employment and, if such 60th day occurs the next following tax year of the Holder, the vesting or maturity date shall occur in such next following tax year.

**EFFECTIVENESS OF AMENDMENT**

This Amendment will become effective immediately. Excepted as amended by this Amendment, all of the provisions of the 2014 Equity Plan shall remain in full force and effect.

Capitalized terms used in this Amendment and not otherwise defined herein shall have the meanings assigned to such terms in the 2014 Equity Plan.

IN WITNESS WHEREOF, the Committee has amended the 2014 Equity Plan by the foregoing Amendment.

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**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)  
UNDER THE SECURITIES EXCHANGE ACT, AS AMENDED**

I, Jerre L. Stead, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IHS Markit Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2017

/s/ Jerre L. Stead

Jerre L. Stead  
Chairman and Chief Executive Officer

**CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a)  
UNDER THE SECURITIES EXCHANGE ACT, AS AMENDED**

I, Todd S. Hyatt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of IHS Markit Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 28, 2017

/s/ Todd S. Hyatt

Todd S. Hyatt

Executive Vice President and Chief Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

Each of the undersigned hereby certifies, for the purposes of section 1350 of chapter 63 of title 18 of the United States Code, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his capacity as an officer of IHS Markit Ltd. (the "Company"), that, to his knowledge, the Quarterly Report on Form 10-Q of the Company for the period ended February 28, 2017 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in such report fairly presents, in all material respects, the financial condition and results of operations of the Company. This written statement is being furnished to the Securities and Exchange Commission as an exhibit to such report. A signed original of this statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: March 28, 2017

/s/ Jerre L. Stead

Jerre L. Stead  
Chairman and Chief Executive Officer

/s/ Todd S. Hyatt

Todd S. Hyatt  
Executive Vice President and Chief Financial Officer